(f) Out of one-third of the annual distribution from the permanent university fund to the available university fund, there shall be appropriated an annual sum sufficient to pay the principal and interest due on the bonds and notes issued by the Board of Regents of The Texas A&M University System under this section and prior law, and the remainder of that one-third of the annual distribution to the available university fund shall be appropriated to the Board of Regents of The Texas A&M University System, which shall have the authority and duty in turn to appropriate an equitable portion of the same for the support and maintenance of The Texas A&M University System administration, Texas A&M University, and Prairie View A&M University. The Board of Regents of The Texas A&M University System, in making just and equitable appropriations to Texas A&M University and Prairie View A&M University, shall exercise its discretion with due regard to such criteria as the board may deem appropriate from year to year[, taking into account all amounts appropriated from Subsection (f) of this section]. Out of the other two-thirds of the annual distribution from the permanent university fund to the available university fund there shall be appropriated an annual sum sufficient to pay the principal and interest due on the bonds and notes issued by the Board of Regents of The University of Texas System under this section and prior law, and the remainder of such two-thirds of the annual distribution to the available university fund, shall be appropriated for the support and maintenance of The University of Texas at Austin and The University of Texas System administration.

SECTION 3. The following temporary provision is added to the Texas Constitution:

TEMPORARY PROVISION. (a) The amendment of Section 18, Article VII, of this constitution adopted in 1999 does not impair any obligation created by the issuance of bonds or notes in accordance with that section before January 1, 2000, and all outstanding bonds and notes validly issued under that section remain valid, enforceable, and binding and shall be paid in full, both principal and interest, in accordance with their terms and from the sources pledged to their payment. In order to ensure that the amendment of that section does not impair any obligation created by the issuance of those bonds and notes, there shall be distributed from the income, investment returns, or other assets of the permanent university fund to the available university fund during each fiscal year an amount at least equal to the amount necessary to pay the principal and interest due and owing during the fiscal year on those bonds and notes.

(b) This section expires January 1, 2030.

SECTION 4. This proposed constitutional amendment shall be submitted to the voters at an election to be held November 2, 1999. The ballot shall be printed to permit voting for or against the proposition: "The constitutional amendment relating to the investment of the permanent university fund and the distribution from the permanent university fund to the available university fund."

Passed by the House on May 3, 1999: Yeas 143, Nays 0, 1 present, not voting; passed by the Senate on May 13, 1999: Yeas 30, Nays 0.

Filed with the Secretary of State May 14, 1999.

### H.J.R. No. 62

A JOINT RESOLUTION

proposing a constitutional amendment to eliminate duplicative, executed, obsolete, archaic, and ineffective constitutional provisions.

BE IT RESOLVED BY THE Legislature of the State of Texas:

SECTION 1. Section 2, Article III, Texas Constitution, is amended to read as follows:

Sec. 2. The Senate shall consist of thirty-one members[, and shall never be increased above this number]. The House of Representatives shall consist of 150 [ninety-three]

members [until the first apportionment after the adoption of this Constitution, when or at any apportionment thereafter, the number of Representatives may be increased by the Legislature, upon the ratio of not more than one Representative for every fifteen thousand inhabitants; provided, the number of Representatives shall never exceed one hundred and fifty].

SECTION 2. Section 3, Article III, Texas Constitution, is amended to read as follows:

Sec. 3. The Senators shall be chosen by the qualified *voters* [electors] for the term of four years; but a new Senate shall be chosen after every apportionment, and the Senators elected after each apportionment shall be divided by lot into two classes. The seats of the Senaters of the first class shall be vacated at the expiration of the first two years, and those of the second class at the expiration of four years, so that one half of the Senators shall be chosen biennially thereafter. Senators shall take office following their election, on the day set by law for the convening of the Regular Session of the Legislature, and shall serve thereafter for the full term of years to which elected [and until their successors shall have been elected and qualified].

SECTION 3. Section 4, Article III, Texas Constitution, is amended to read as follows:

Sec. 4. The Members of the House of Representatives shall be chosen by the qualified voters [electors] for the term of two years. Representatives shall take office following their election, on the day set by law for the convening of the Regular Session of the Legislature, and shall serve thereafter for the full term of years to which elected [and until their successors shall have been elected and qualified].

SECTION 4. Section 5, Article III, Texas Constitution, is amended to read as follows:

- Sec. 5. (a) The Legislature shall meet every two years at such time as may be provided by law and at other times when convened by the Governor.
- (b) When convened in regular Session, the first thirty days thereof shall be devoted to the introduction of bills and resolutions, acting upon emergency appropriations, passing upon the confirmation of the recess appointees of the Governor and such emergency matters as may be submitted by the Governor in special messages to the Legislature. During; provided that during the succeeding thirty days of the regular session of the Legislature the various committees of each House shall hold hearings te consider all bills and resolutions and other matters then pending; and such emergency matters as may be submitted by the Governor. During; provided further that during the remainder of the session [following sixty days] the Legislature shall act upon such bills and resolutions as may be then pending and upon such emergency matters as may be submitted by the Governor in special messages to the Legislature.
- (c) Notwithstanding Subsection (b), either[; provided, however, either] House may [otherwise] determine its order of business by an affirmative vote of four-fifths of its membership.
  - SECTION 5. Section 6, Article III, Texas Constitution, is amended to read as follows:
- Sec. 6. No person shall be a Senator, unless he be a citizen of the United States, and, at the time of his election a qualified *voter* [elector] of this State, and shall have been a resident of this State five years next preceding his election, and the last year thereof a resident of the district for which he shall be chosen, and shall have attained the age of twenty-six years.

SECTION 6. Section 7, Article III, Texas Constitution, is amended to read as follows:

Sec. 7. No person shall be a Representative, unless he be a citizen of the United States, and, at the time of his election, a qualified *voter* [elector] of this State, and shall have been a resident of this State two years next preceding his election, the last year thereof a resident of the district for which he shall be chosen, and shall have attained the age of twenty-one years.

SECTION 7. Section 14, Article III, Texas Constitution, is amended to read as follows:

Sec. 14. Senators and Representatives shall, except in cases of treason, felony, or breach of the peace, be privileged from arrest during the session of the Legislature, and in going to and returning from the same[, allowing one day for every twenty miles such member may reside from the place at which the Legislature is convened].

SECTION 8. Section 33, Article III, Texas Constitution, is amended te read as follows:

Sec. 33. All bills for raising revenue shall originate in the House of Representatives[, but the Senate may amend or reject them as other bills].

SECTION 9. Section 32, Article III, Texas Constitution, is amended to read as follows:

Sec. 32. No bill shall have the force of a law, until it has been read on three several days in each House, and free discussion allowed thereon; but [in cases of imperative public necessity (which necessity shall be stated in a preamble or in the body of the bill)] four-fifths of the House, in which the bill may be pending, may suspend this rule, the yeas and nays being taken on the question of suspension, and entered upon the journals.

SECTION 10. Section 39, Article III, Texas Constitution, is amended to read as follows:

Sec. 39. No law passed by the Legislature, except the general appropriation act, shall take effect or go into force until ninety days after the adjournment of the session at which it was enacted, unless [in-case of an emergency, which emergency must be expressed in a preamble or in the body of the act,] the Legislature shall, by a vote of two-thirds of all the members elected to each House, otherwise direct; said vote to be taken by yeas and nays, and entered upon the journals.

SECTION 11. Section 48-e, Article III, Texas Constitution, is amended to read as follows:

Sec. 48-e. Laws may be enacted to provide for the establishment and creation of special districts to provide emergency services and to authorize the commissioners courts of participating counties to levy a tax on the ad valorem property situated in said districts not to exceed Ten Cents (10¢) on the One Hundred Dollars (\$100.00) valuation for the support thereof; provided that no tax shall be levied in support of said districts until approved by a vote of the qualified *voters* [electors] residing therein. Such a district may provide emergency medical services, emergency ambulance services, rural fire prevention and control services, or other emergency services authorized by the Legislature.

SECTION 12. Section 48-f, Article III, Texas Constitution, is amended to read as follows:

Sec. 48–f. The legislature, by law, may provide for the creation, operation, and financing of jail districts and may authorize each district to issue bonds and other obligations and to levy an ad valorem tax on property located in the district to pay principal of and interest on the bonds and to pay for operation of the district. An ad valorem tax may not be levied and bonds secured by a property tax may not be issued until approved by the qualified *voters* [electors] of the district voting at an election called and held for that purpose.

SECTION 13. Section 49a, Article III, Texas Constitution, is amended to read as follows: Sec. 49a. (a) It shall be the duty of the Comptroller of Public Accounts in advance of each

Regular Session of the Legislature to prepare and submit to the Governor and to the Legislature upon its convening a statement under oath showing fully the financial condition of the State Treasury at the close of the last fiscal period and an estimate of the probable receipts and disbursements for the then current fiscal year. There shall also be contained in said statement an itemized estimate of the anticipated revenue based on the laws then in effect that will be received by and for the State from all sources showing the fund accounts to be credited during the succeeding biennium and said statement shall contain such other information as may be required by law. Supplemental statements shall be submitted at any Special Session of the Legislature and at such other times as may be necessary to show probable changes.

(b) Except [From and after January 1, 1945, save] in the case of emergency and imperative public necessity and with a four-fifths vote of the total membership of each House, no appropriation in excess of the cash and anticipated revenue of the funds from which such appropriation is to be made shall be valid. No [From and after January 1, 1945, no] bill containing an appropriation shall be considered as passed or be sent to the Governor for consideration until and unless the Comptroller of Public Accounts endorses his certificate thereon showing that the amount appropriated is within the amount estimated to be available in the affected funds. When the Comptroller finds an appropriation bill exceeds the estimated revenue he shall endorse such finding thereon and return to the House in which same originated. Such information shall be immediately made known to both the House of Representatives and the Senate and the necessary steps shall be taken to bring such

appropriation to within the revenue, either by providing additional revenue or reducing the appropriation.

[For the purpose of financing the outstanding obligations of the General Revenue Fund of the State and placing its current accounts on a cash basis the Legislature of the State of Texas is hereby authorized to provide for the issuance, sale, and retirement of serial bonds, equal in principal to the total outstanding, valid, and approved obligations owing by said fund on September 1, 1943, provided such bonds shall not draw interest in excess of two (2) per cent per annum and shall mature within twenty (20) years from date.]

SECTION 14. Sections 49-b, 49-b-1, 49-b-2, and 49-b-3, Article III, Texas Constitution, are combined, reenacted as Section 49-b, and amended to read as follows:

- Sec. 49-b. (a) The [By virtue of prior Amendments to this Constitution, there has been created a governmental agency of the State of Texas performing governmental duties which has been designated the] Veterans' Land Board[. Said Board shall continue to function for the purposes specified in all of the prior Constitutional Amendments except as modified herein Said Board] shall be composed of the Commissioner of the General Land Office and two (2) citizens of the State of Texas, one (1) of whom shall be well versed in veterans' affairs and one (1) of whom shall be well versed in finances. One (1) such citizen member shall, with the advice and consent of the Senate, be appointed biennially by the Governor to serve for a term of four (4) years. In the event of the resignation or death of any such citizen member, the Governor shall appoint a replacement to serve for the unexpired portion of the term to which the deceased or resigning member had been appointed. The compensation for said citizen members shall be as is now or may hereafter be fixed by the Legislature; and each shall make bond in such amount as is now or may hereafter be prescribed by the Legislature.
- (b) The Commissioner of the General Land Office shall act as Chairman of said Board and shall be the administrator of the Veterans' Land Program under such terms and restrictions as are now or may hereafter be provided by law. In the absence or illness of said Commissioner, the Chief Clerk of the General Land Office shall be the Acting Chairman of said Board with the same duties and powers that said Commissioner would have if present.
- (c) The Veterans' Land Board may provide for, issue and sell [not to exceed Nine Hundred Fifty Million Dollars (\$950,000,000) in] bonds or obligations of the State of Texas as authorized by constitutional amendment or by a debt proposition under Section 49 of this article for the purpose of creating [a fund to be known as] the Veterans' Land Fund, the Veterans' Housing Assistance Fund, and the Veterans' Housing Assistance Fund III, Seven Hundred Million Dollars (\$700,000,000) of which have heretofore been authorized. Such bonds or obligations shall be sold for not less than par value and accrued interest; shall be issued in such forms, denominations, and upon such terms as are now or may hereafter be provided by law; shall be issued and sold at such times, at such places, and in such installments as may be determined by said-Board; and shall bear a rate or rates of interest as may be fixed by said Board but the weighted average annual interest rate, as that phrase is commonly and ordinarily used and understood in the municipal bond market, of all the bonds issued and sold in any installment of any bonds may not exceed the rate specified in Section 65 of this Article. All bonds or obligations issued and sold hereunder shall, after execution by the Board, approval by the Attorney General of Texas, registration by the Comptroller of Public Accounts of the State of Texas, and delivery to the purchaser or purchasers, be incontestable and shall constitute general obligations of the State of Texas under the Constitution of Texas; and all bonds heretofore issued and sold by said Board are hereby in all respects validated and declared to be general obligations of the State of Texas. In-order to prevent default in the payment of principal or interest on any such bonds, the Legislature shall appropriate a sufficient amount to pay the same].

[In-the-sale of any such bonds or obligations, a preferential right of purchase shall be given to the administrators of the various Teacher Retirement Funds, the Permanent University Funds, and the Permanent School Funds.

[Said Veterans' Land Fund shall consist of any lands heretofore or hereafter purchased by said Board, until the sale price therefor, together with any interest and penalties due, have been received by said Board (although nothing herein shall be construed to prevent said Board from accepting full payment for a portion of any tract), and of the moneys attributable to any bonds heretofore or hereafter issued and sold by said Board which moneys so

attributable shall include but shall not be limited to the proceeds from the issuance and sale of such bonds; the moneys received from the sale or resale of any lands, or rights therein, purchased with such proceeds; the moneys received from the sale or resale of any lands, or rights therein, purchased with other moneys attributable to such bonds; the interest and penalties received from the sale or resale of such lands, or rights therein; the bonuses, income, rents, reyalties, and any other pecuniary benefit received by said Board from any such lands; sums received by way of indemnity or forfeiture for the failure of any bidder for the purchase of any such bonds to comply with his bid and accept and pay-for such bonds or for the failure of any bidder for the purchase of any lands comprising a part of said Fund to comply with his bid and accept and pay for any such lands; and interest received from investments of any such moneys. The principal and interest on the bonds heretofore and hereafter issued by said Board shall be paid out of the moneys of said Fund in conformance with the Constitutional provisions authorizing such bonds; but the moneys of said Fund which are not immediately committed to the payment of principal and interest on such bonds, the purchase of lands as herein provided, or the payment of expenses as herein provided may be invested as authorized by law until such moneys are needed for such purposes.

[All-moneys comprising a part of said Fund and not expended for the purposes herein provided shall be a part of said Fund-until there are sufficient moneys therein to retire fully all of the bonds heretofore or hereafter issued and sold by said Board, at which time all such moneys remaining in said Fund, except such portion thereof as may be necessary to retire all such bonds which portion shall be set aside and retained in said Fund-for the purpose of retiring all such bonds, shall be deposited to the credit of the General Revenue Fund to be appropriated to such purposes as may be prescribed by law. All moneys becoming a part of said Fund thereafter shall likewise be deposited to the credit of the General Revenue Fund.

[When a Division of said Fund (each Division consisting of the moneys attributable to the bonds issued and sold pursuant to a single Constitutional authorization and the lands purchased therewith) contains sufficient moneys to retire all of the bonds secured by such Division, the moneys thereof, except such portion as may be needed to retire all of the bonds secured by such Division which portion shall be set aside and remain a part of such Division for the purpose of retiring all such bonds, may be used for the purpose of paying the principal and the interest thereon, together with the expenses herein authorized, of any other bonds heretofore or hereafter issued and sold by said Board. Such use shall be a matter for the discretion and direction of said Board; but there may be no such use of any such moneys contrary to the rights of any holder of any of the bonds issued and sold by said Board or violative of any contract to which said Board is a party.

[The Veterans' Land-Fund shall be used by said-Board for the purpose of purchasing lands situated in the State of Texas owned by the United States or any governmental agency thereof, owned by the Texas Prison System or any other governmental agency of the State of Texas, or owned by any person, firm, or corporation. All lands thus purchased shall be acquired at the lowest price obtainable, to be paid for in cash, and shall be a part of said Fund. Such lands heretofore or hereafter purchased and comprising a part of said Fund are hereby declared to be held for a governmental purpose, although the individual purchasers thereof shall be subject to taxation to the same extent and in the same manner as are purchasers of lands dedicated to the Permanent Free Public School Fund.

[The lands of the Veterans' Land Fund shall be sold by said Board in such quantities, on such terms, at such prices, at such rates of interest and under such rules and regulations as are now or may hereafter be provided by law to veterans, as they are now or may hereafter be defined by the laws of the State of Texas. The foregoing notwithstanding, any lands in the Veterans' Land Fund which have been first offered for sale to veterans and which have not been sold may be sold or resold to such purchasers, in such quantities, and on such terms, and at such prices and rates of interest, and under such rules and regulations as are now or may hereafter be provided by law.]

(d) Said Veterans' Land Fund, to the extent of the moneys attributable to any bonds hereafter issued and sold by said Board may be used by said Board, as is now or may hereafter be provided by law, for the purpose of paying the expenses of surveying, monumenting, road construction, legal fees, recordation fees, advertising and other like costs necessary or incidental to the purchase and sale, or resale, of any lands purchased with any of

the moneys attributable to such additional bonds, such expenses to be added to the price of such lands when sold, or resold, by said Board; for the purpose of paying the expenses of issuing, selling, and delivering any such additional bonds; and for the purpose of meeting the expenses of paying the interest or principal due or to become due on any such additional bonds.

[All of the moneys attributable to any series of bonds hereafter issued and sold by said Board (a "series of bonds" being all of the bonds issued and sold in a single transaction as a single installment of bonds) may be used for the purchase of lands as herein provided, to be sold as herein provided, for a period ending eight (8) years after the date of sale of such series of bonds; provided, however, that so much of such moneys as may be necessary to pay interest on bonds hereafter issued and sold shall be set aside for that purpose in accordance with the resolution adopted by said Board authorizing the issuance and sale of such series of bonds. After such eight (8) year period, all of such moneys shall be set aside for the retirement of any bonds hereafter issued and sold and to pay interest thereon, together with any expenses as provided herein, in accordance with the resolution or resolutions authorizing the issuance and sale of such additional bonds, until there are sufficient moneys to retire all of the bonds hereafter issued and sold, at which time all such moneys then remaining a part of said Veterans' Land Fund and thereafter becoming a part of said Fund shall be governed as elsewhere provided herein.

[This Amendment being intended only to establish a basic framework and not to be a comprehensive treatment of the Veterans' Land Program, there is hereby reposed in the Legislature full power to implement and effectuate the design and objects of this Amendment, including the power to delegate such duties, responsibilities, functions, and authority to the Veterans' Land Board as it believes necessary.

[Should the Legislature enact any enabling laws in anticipation of this Amendment, no such law shall be void by reason of its anticipatory nature.

[Sec. 49-b-1. (a) In addition to the general obligation bonds authorized to be issued and to be sold by the Veterans' Land Board by Section 49-b of this article, the Veterans' Land Board may provide for, issue, and sell not to exceed \$1.3 billion in bonds of the State of Texas, \$800 million of which have heretofore been authorized to provide financing to veterans of the state in recognition of their service to their state and country.]

(e) [(b)] For purposes of this section, "veteran" means a person who satisfies the definition of "veteran" as [is now or may hereafter be] set forth by the laws of the State of Texas.

[(e) The bonds shall be sold for not less than par value and accrued interest; shall be issued in such forms and denominations, upon such terms, at such times and places, and in such installments as may be determined by the board; and, notwithstanding the rate of interest specified by any other provision of this constitution, shall bear a rate or rates of interest fixed by the board. All bonds issued and sold pursuant to Subsections (a) through (f) of this section shall, after execution by the board, approval by the Attorney General of Texas, registration by the Comptroller of Public Accounts of the State of Texas, and delivery to the purchaser or purchasers, be incontestable and shall constitute general obligations of the state under the Constitution of Texas.

(d) Three hundred million dollars of the state bonds authorized by this section shall be used to augment the Veterans' Land Fund. The Veterans' Land Fund shall be used by the board for the purpose of purchasing lands situated in the State of Texas owned by the United States government or any agency thereof, the State of Texas or any subdivision or agency thereof, or any person, firm, or corporation. The lands shall be sold to veterans in such quantities, on such terms, at such prices, at such rates of interest, and under such rules and regulations as may be authorized by law. The expenses of the board in connection with the issuance of the bonds and the purchase and sale of the lands may be paid from money in the fund. The Veterans' Land Fund shall continue to consist of any lands purchased by the board until the sale price therefor, together with any interest and penalties due, have been received by the board (although nothing herein shall prevent the board from accepting full payment for a portion of a tract) and of the money attributable to any bonds issued and sold by the board for the butterans' Land Fund, which money so attributable shall include but shall not be limited to the proceeds from the issuance and sale of such bonds; the money received from the sale or resale of any lands, or rights therein, purchased from such

proceeds; the money received from the sale or resale of any lands, or rights therein. purchased with other money attributable to such bonds; the interest and penalties received from the sale or resale of such lands, or rights therein; the bonuses, income, rents, royalties, and any other pecuniary benefit received by the board from any such lands; sums received by way of indomnity or forfoiture for the failure of any bidder for the purchase of any such bonds to comply with his bid and accept and pay for such bonds or for the failure of any bidder for the purchase of any lands comprising a part of the fund to comply with his bid and accept and pay for any such lands; and interest received from investments of any such money. The principal of and interest on the general obligation bonds previously authorized by Section 49 b of this constitution shall be paid out of the money of the fund in conformance with the constitutional provisions authorizing such bonds. The principal of and interest on the general obligation bonds authorized by this section for the benefit of the Veterans' Land-Fund-shall be paid out of the money of the fund, but the money of the fund which is not immediately committed to the payment of principal and interest on such bonds, the purchase of lands as herein provided, or the payment of expenses as herein provided may be invested as authorized by law until the money is needed for such purposes.]

(f) [(e)] The Veterans' Housing Assistance Fund [is created, and \$1 billion of the state bonds authorized by this section shall be used for the Veterans' Housing Assistance Fund, \$500 million of which have heretofore been authorized. Money in the Veterans' Housing Assistance Fund] shall be administered by the Veterans' Land Board and shall be used for the purpose of making home mortgage loans to veterans for housing within the State of Texas in such quantities, on such terms, at such rates of interest, and under such rules and regulations as may be authorized by law. The expenses of the board in connection with the issuance of the bonds for the benefit of the Veterans' Housing Assistance Fund and the making of the loans may be paid from money in the fund. [The Veterans' Housing Assistance Fund shall consist of any interest of the board in all home-mortgage loans made to veterans by the board pursuant to a Veterans' Housing Assistance Program which the legislature may establish by appropriate legislation until, with respect to any such home mortgage loan, the principal amount, together with any interest and penalties due, have been received by the board; the money attributable to any bonds issued and sold by the board to provide money for the fund, which money so attributable shall include but shall not be limited to the proceeds from the issuance and cale of such bonds; income, rents, and any other pecuniary benefit received by the board as a result of making such loans; sums received by way of indemnity or forfeiture for the failure of any bidder for the purchase of any such bonds to comply with his bid and accept and pay for such bonds; and interest received from investments of any such money.] The principal of and interest on the general obligation bonds authorized by this section for the benefit of the Veterans' Housing Assistance Fund shall be paid out of the money of the fund, but the money of the fund which is not immediately committed to the payment of principal and interest on such bonds, the making of home mortgage loans as herein provided, or the payment of expenses as herein provided may be invested as authorized by law until the money is needed for such purposes.

[(f) To the extent there is not money in either the Veterans' Land Fund or the Veterans' Housing Assistance Fund as the case may be, available for payment of principal of and interest on the general obligation bonds authorized by this section to provide money for either of the funds, there is hereby appropriated out of the first money coming into the treasury in each fiscal year, not otherwise appropriated by this constitution, an amount which is sufficient to pay the principal of and interest on such general obligation bonds that mature or become due during that fiscal year,

[(g) Receipt of all kinds of the funds determined by the board not to be required for the payment of principal of and interest on the general obligation bonds herein authorized, heretofore authorized, or hereafter authorized by this constitution to be issued by the board to provide money for either of the funds may be used by the board, to the extent not inconsistent with the proceedings authorizing such bonds, to pay the principal of and interest on general obligation bonds issued to provide money for the other fund, or to pay the principal of and interest on revenue bonds of the board issued for the purposes of providing funds for the purchasing of lands and making the sale thereof to veterans or making home mortgage leans to veterans as provided by this section. The revenue bonds shall be special obligations and payable only from the receipt of the funds and shall not constitute indebted

ness of the state or the Veterans' Land Board. The board is authorized to issue such revenue bonds from time to time which shall not exceed an aggregate principal amount that can be fully retired from the receipts of the funds and other revenues pledged to the retirement of the revenue bonds. The revenue bonds shall be issued in such forms and denominations, upon such terms, at such times and places, and in such installments as may be determined by the board; and, notwithstanding the rate of interest specified by any other provision of the constitution, shall bear a rate or rates of interest fixed by the board.

(h) This Amendment being intended only to establish a basic framework and not to be a comprehensive treatment of the Veterans' Housing Assistance Program and the Veterans' Land Program, there is hereby reposed in the Legislature full power to implement and effectuate the design and objects of this Amendment, including the power to delegate such duties, responsibilities, functions, and authority to the Veterans' Land Board as it believes necessary.

[Sec. 49-b-2. (a) In addition to the general obligation bonds authorized to be issued and to be sold by the Veterans' Land Board by Sections 49-b and 49-b-1 of this article, the Veterans' Land Board may provide for, issue, and sell-general obligation bonds of the state in an amount not to exceed \$750 million, to provide financing to veterans of the state in recognition of their service to their state and the United States of America.]

- (g) The [(b) Two hundred fifty million dollars of the general obligation bonds authorized by this section shall be used to augment the Veterans' Land Fund. Notwithstanding any provision of Section 49 b or 49 b 1 of this article to the contrary, the] Veterans' Land Fund shall be used by the Veterans' Land Board to purchase lands situated in the state owned by the United States government, an agency of the United States government, this state, a political subdivision or agency of this state, or a person, firm, or corporation.
- (h) Lands purchased and comprising a part of the Veterans' Land Fund are declared to be held for a governmental purpose, but the individual purchasers of those lands shall be subject to taxation to the same extent and in the same manner as are purchasers of lands dedicated to the Permanent Free Public School Fund. The lands shall be sold to veterans in quantities, on terms, at prices, and at fixed, variable, floating, or other rates of interest, determined by the Board and in accordance with rules of the Board. Notwithstanding any provisions of this section to the contrary, lands in the Veterans' Land Fund that are offered for sale te veterans and that are not sold may be sold or resold to the purchasers in quantities, on terms, at prices, and at rates of interest determined by the Board and in accordance with rules of the Roard
- (i) The expenses of the Board in connection with the issuance of the bonds for the benefit of the Veterans' Land Fund and the purchase and sale of the lands may be paid from money in the Veterans' Land Fund.
  - (j) [(e)] The Veterans' Land Fund shall consist of:
    - (1) lands heretofore or hereafter purchased by the Board;
  - (2) money attributable to bonds heretofore or hereafter issued and sold by the Board for the fund, including proceeds from the issuance and sale of the bonds;
  - (3) money received from the sale or resale of lands or rights in lands purchased from those proceeds;
  - (4) money received from the sale or resale of lands or rights in lands purchased with other money attributable to the bonds;
  - (5) proceeds derived from the sale or other disposition of the Board's interest in contracts for the sale or resale of lands or rights in lands;
    - (6) interest and penalties received from the sale or resale of lands or rights in lands;
  - (7) bonuses, income, rents, royalties, and other pecuniary benefits received by the Board from lands;
  - (8) money received by way of indemnity or forfeiture for the failure of a bidder for the purchase of bonds to comply with the bid and accept and pay for the bonds or for the failure of a bidder for the purchase of lands comprising a part of the Veterans' Land Fund to comply with the bid and accept and pay for the lands;

- (9) payments received by the Board under a bond enhancement agreement with respect to the bonds; and
  - (10) interest received from investments of money in the fund.
- (k) [(d)] The principal of and interest on the general obligation bonds [authorized by this section] for the benefit of the Veterans' Land Fund, including payments by the Board under a bond enhancement agreement with respect to principal of or interest on the bonds, shall be paid out of the money of the Veterans' Land Fund, but the money in the fund that is not immediately committed to the payment of principal and interest on the bonds, the purchase of lands, or the payment of expenses may be invested as authorized by law until the money is needed for those purposes.
- (l) [(e)] The Veterans' Housing Assistance Fund II [is created, and \$500 million of the general obligation bonds authorized by this section shall be used for the Veterans' Housing Assistance Fund II. The Veterans' Housing Assistance Fund II] is a separate and distinct fund from the Veterans' Housing Assistance Fund [established under Section 49 b 1 of this article]. Money in the Veterans' Housing Assistance Fund II shall be administered by the Veterans' Land Board and shall be used to make home mortgage loans to veterans for housing within this state in quantities, on terms, and at fixed, variable, floating, or other rates of interest, determined by the Board and in accordance with rules of the Board. The expenses of the Board in connection with the issuance of the bonds for the benefit of the Veterans' Housing Assistance Fund II and the making of the loans may be paid from money in the Veterans' Housing Assistance Fund II.
  - (m) [(f)] The Veterans' Housing Assistance Fund II shall consist of:
  - (1) the Board's interest in home mortgage loans the Board makes to veterans from money in the fund under the Veterans' Housing Assistance Program established by law;
  - (2) proceeds derived from the sale or other disposition of the Board's interest in home mortgage loans;
  - (3) money attributable to bonds issued and sold by the Board to provide money for the fund, including the proceeds from the issuance and sale of bonds;
  - (4) income, rents, and other pecuniary benefits received by the Board as a result of making loans;
  - (5) money received by way of indemnity or forfeiture for the failure of a bidder for the purchase of bonds to comply with the bid and accept and pay for the bonds;
  - (6) payments received by the Board under a bond enhancement agreement with respect to the bonds; and
    - (7) interest received from investments of money.
- (n) [(g)] The principal of and interest on the general obligation bonds [authorized by this section] for the benefit of the Veterans' Housing Assistance Fund II, including payments by the Board under a bond enhancement agreement with respect to principal of or interest on the bonds, shall be paid out of the money of the Veterans' Housing Assistance Fund II, but the money in the fund that is not immediately committed to the payment of principal and interest on the bonds, the making of home mortgage loans, or the payment of expenses may be invested as authorized by law until the money is needed for those purposes.
- (o) The [(h) Notwithstanding the provisions of Section 49 b 1 of this article to the contrary, the] Veterans' Housing Assistance Fund shall consist of:
  - (1) the Board's interest in home mortgage loans the Board makes to veterans from money in the fund under the Veterans' Housing Assistance Program established by law;
  - (2) proceeds derived from the sale or other disposition of the Board's interest in home mortgage loans;
  - (3) money attributable to bonds issued and sold by the Board to provide money for the fund, including proceeds from the issuance and sale of bonds;
  - (4) income, rents, and other pecuniary benefits received by the Board as a result of making loans;
  - (5) money received by way of indemnity or forfeiture for the failure of a bidder for the purchase of bonds to comply with the bid and accept and pay for the bonds;

- (6) payments received by the Board under a bond enhancement agreement with respect to the bonds; and
  - (7) interest received from investments of money.
- (p) [(i)] The principal of and interest on the general obligation bonds [authorized by Section 49-b-1 of this article] for the benefit of the Veterans' Housing Assistance Fund, including payments by the Board under a bond enhancement agreement with respect to principal of or interest on the bonds, shall be paid out of money in the Veterans' Housing Assistance Fund.
- (q) [(+)] If there is not enough money in the Veterans' Land Fund, the Veterans' Housing Assistance Fund, or the Veterans' Housing Assistance Fund II, as the case may be, available to pay the principal of and interest on the general obligation bonds benefiting those funds [authorized by this section or by Section 49-b or 49-b-1-of this article], including money te make payments by the Board under a bond enhancement agreement with respect to principal of or interest on the bonds, there is appropriated out of the first money coming into the treasury in each fiscal year, not otherwise appropriated by this constitution, an amount that is sufficient to pay the principal of and interest on the general obligation bonds that mature or become due during that fiscal year or to make bond enhancement payments with respect te those bonds.
- (r) Receipts [(k) Notwithstanding any provisions of Section 49-b or 49-b-1 of this article to the contrary, receipts] of all kinds of the Veterans' Land Fund, the Veterans' Housing Assistance Fund, or the Veterans' Housing Assistance Fund II that the Board determines are not required for the payment of principal of and interest on the general obligation bonds benefiting those funds, including payments by the Board under a bond enhancement agreement with respect to principal of or interest on the bonds, [authorized by this section or by Section 49-b or 49-b-1 of this article or otherwise authorized by this constitution to be issued by the Board to provide money for the fund,] may be used by the Board, to the extent not inconsistent with the proceedings authorizing the bonds te:
  - (1) make temporary transfers to another of those funds to avoid a temporary cash deficiency in that fund or make a transfer to another of those funds for the purposes of that fund:
  - (2) pay the principal of and interest on general obligation bonds issued to provide money for another of those funds or make bond enhancement payments with respect to the bonds; or
  - (3) pay the principal of and interest on revenue bonds of the Board or make bond enhancement payments with respect to the bonds if the bonds are issued to provide funds to purchase lands and sell lands to veterans or make home mortgage loans to veterans.
- (s) [(+)] If the Board determines that assets from the Veterans' Land Fund, the Veterans' Housing Assistance Fund, or the Veterans' Housing Assistance Fund II are not required for the purposes of the fund, the Board may transfer the assets to another of those funds or use the assets to secure revenue bonds issued by the Board under this section.
- (t) [(m)] The revenue bonds shall be special obligations of the Board and payable only from and secured only by receipts of the funds, assets transferred from the funds, and other revenues and assets as determined by the Board and shall not constitute indebtedness of the state or the Veterans' Land Board. The Board may issue revenue bonds from time to time, which bonds may not exceed an aggregate principal amount that the Board determines can be fully retired from the receipts of the funds, the assets transferred from the funds, and the other revenues and assets pledged to the retirement of the revenue bonds. [The revenue bonds shall be issued and sold in forms and denominations, in the manner, on terms, at times and places, and in installments the Board determines.] Notwithstanding the rate of interest specified by any other provision of this constitution, [the] revenue bonds shall bear a rate or rates of interest the Board determines. A determination made by the Board under this subsection shall be binding and conclusive as to the matter determined.
- (u) The [(n) Notwithstanding any provisions of Section 49 b or 49 b 1 of this article to the contrary, the] bonds authorized to be issued and sold by the Veterans' Land Board [by this section or by Sections 49 b and 49 b 1 of this article] shall be issued and sold in forms and denominations, on terms, at times, in the manner, at places, and in installments the Board determines. The bonds shall bear a rate or rates of interest the Board determines. The

bonds shall be incontestable after execution by the Board, approval by the Attorney General of Texas, and delivery to the purchaser or purchasers of the bonds.

- (v) [(a)] This Amendment being intended only to establish a basic framework and not to be a comprehensive treatment of the Veterans' Housing Assistance Program and the Veterans' Land Program, there is hereby reposed in the Legislature full power to implement and effectuate the design and objects of this Amendment, including the power to delegate such duties, responsibilities, functions, and authority to the Veterans' Land Board as it believes necessary.
- [(p) In this section, "veteran" has the meaning assigned by Section 49-b-1 of this article. [Sec. 49-b-3. (a) In addition to the general obligation bonds authorized to be issued and to be sold by the Veterans' Land Board by Sections 49-b, 49-b-1, and 49-b-2 of this article, the Veterans' Land Board may provide for, issue, and sell general obligation bonds of the state in an amount not to exceed \$500 million to provide housing financing to veterans of the state in recognition of their service to this state and the United States. The Veterans' Land Board may enter into bond enhancement agreements with respect to the bonds. The proceeds from the issuance and sale of the bonds authorized by this section shall be used to augment the Veterans' Housing Assistance Fund II to be administered and invested as provided by law.
- (b) The principal of and interest on the general obligation bonds authorized by this section, including payments under bond enhancement agreements with respect to principal of or interest on the bonds, shall be payable from the sources and in the manner provided by Section 49-b-2 of this article for general obligation bonds issued under that section to augment the Veterans' Housing Assistance Fund II.
- [(c) The general obligation bonds authorized by this section shall be issued and sold in forms and denominations, on terms, at times, in the manner, at places, and in installments the Veterans' Land Board determines. The bonds shall bear a rate or rates of interest the Veterans' Land Board determines. The bonds authorized by this section shall be incontestable after execution by the Veterans' Land Board, approval by the attorney general, and delivery to the purchaser or purchasers of the bonds.
- SECTION 15. Sections 49-c, 49-d, 49-d-1, 49-d-2, 49-d-5, 49-d-6, 49-d-7, and 49-d-8, Article III, Texas Constitution, are amended to read as follows:
- Sec. 49-c. (a) The Texas Water Development Board, [There is hereby created as] an agency of the State of Texas, shall [the Texas Water Development Board to] exercise such powers as necessary under this provision together with such other duties and restrictions as may be prescribed by law. The qualifications, compensation, and number of members of said Board shall be determined by law. They shall be appointed by the Governor with the advice and consent of the Senate in the manner and for such terms as may be prescribed by law.
- (b) The Texas Water Development Board shall have the authority to provide for, issue and sell general obligation bonds of the State of Texas as authorized by constitutional amendment or by a debt proposition under Section 49 of this article [in an amount not to exceed One Hundred Million Dollars (\$100,000,000)]. [The Legislature of Texas, upon two-thirds (%) vote of the elected Members of each House, may authorize the Board to issue additional bonds in an amount not exceeding One Hundred Million Dollars (\$100,000,000).] The bonds [authorized herein or permitted to be authorized by the Legislature] shall be called "Texas Water Development Bonds," shall be executed in such form, denominations and upon such terms as may be prescribed by law, and [provided, however, that the bonds shall not bear more than four per cent (4%) interest per annum; they] may be issued in such installments as the Board finds feasible and practical in accomplishing the purpose set forth herein.
- (c) All moneys received from the sale of the [State] bonds shall be deposited in a fund hereby created in the State Treasury to be known as the Texas Water Development Fund to be administered (without further appropriation) by the Texas Water Development Board in such manner as prescribed by law.
- (d) Such fund shall be used only for the purpose of aiding or making funds available upon such terms and conditions as the Legislature may prescribe, to the various political subdivisions or bodies politic and corporate of the State of Texas including river authorities, conservation and reclamation districts and districts created or organized or authorized to be created or organized under Article XVI, Section 59 or Article III, Section 52, of this

Constitution, interstate compact commissions to which the State of Texas is a party and municipal corporations, in the conservation and development of the water resources of this State, including the control, storing and preservation of its storm and flood waters and the waters of its rivers and streams, for all useful and lawful purposes by the acquisition, improvement, extension, or construction of dams, reservoirs and other water storage projects, including any system necessary for the transportation of water from storage to points of treatment and/or distribution, including facilities for transporting water therefrom to wholesale purchasers, or for any one or more of such purposes or methods.

- (e) Any or all financial assistance as provided herein shall be repaid with interest upon such terms, conditions and manner of repayment as may be provided by law.
- (f) While any of the Texas Water Development Bonds [bonds authorized by this provision or while any of the bonds that may be authorized by the Legislature under this provision], or any interest on any of such bonds, is outstanding and unpaid, there is hereby appropriated out of the first moneys coming into the Treasury in each fiscal year, not otherwise appropriated by this Constitution, an amount which is sufficient to pay the principal and interest on such bonds that mature or become due during such fiscal year, less the amount in the sinking fund at the close of the prior fiscal year.
- (g) The Legislature may provide for the investment of moneys available in the Texas Water Development Fund, and the interest and sinking funds established for the payment of bonds issued by the Texas Water Development Board. Income from such investment shall be used for the purposes prescribed by the Legislature. The Legislature may also make appropriations from the General Revenue Fund for paying administrative expenses of the Board.
- (h) From the moneys received by the Texas Water Development Board as repayment of principal for financial assistance or as interest thereon, there shall be deposited in the interest and sinking fund for the bonds [authorized by this Section] sufficient moneys to pay the interest and principal to become due during the ensuing year and sufficient to establish and maintain a reserve in said fund equal to the average annual principal and interest requirements on all outstanding bonds [issued under this Section]. If any year [prior to December 31, 1982] moneys are received in excess of the foregoing requirements then such excess shall be deposited to the Texas Water Development Fund, and may be used for administrative expenses of the Board and for the same purposes and upon the same terms and conditions prescribed for the proceeds derived from the sale of such State bonds. [No grant of financial assistance shall be made under the provisions of this Section after December 31, 1982, and all moneys thereafter received as repayment of principal for financial assistance or as interest thereon shall be deposited in the interest and sinking fund for the State bonds; except that such amount as may be required to meet the administrative expenses of the Board may be annually set aside; and provided, that after all State bonds have been fully paid with interest. or after there are on deposit in the interest and sinking fund sufficient moneys to pay all future maturities of principal and interest, additional moneys so received shall be deposited to the General Revenue Fund.]
- (i) All Texas Water Development Bonds [bonds issued hereunder] shall after approval by the Attorney General, registration by the Comptroller of Public Accounts of the State of Texas, and delivery to the purchasers, be incontestable and shall constitute general obligations of the State of Texas under the Constitution of Texas.

[Should the Legislature enact enabling laws in anticipation of the adoption of this amendment, such acts shall not be void by reason of their anticipatory nature.]

Sec. 49–d. (a) It is hereby declared to be the policy of the State of Texas te encourage the optimum development of the limited number of feasible sites available for the construction or enlargement of dams and reservoirs for conservation of the public waters of the state, which waters are held in trust for the use and benefit of the public, and to encourage the optimum regional development of systems built for the filtration, treatment, and transmission of water and wastewater. The proceeds from the sale of [the additional] bonds [authorized hereunder] deposited in the Texas Water Development Fund [and the proceeds of bonds previously authorized by Article III, Section 49 c of this Constitution,] may be used by the Texas Water Development Board, under such provisions as the Legislature may prescribe by General Law, including the requirement of a permit for storage or beneficial use, for the additional

purposes of acquiring and developing storage facilities, and any system or works necessary for the filtration, treatment and transportation of water or wastewater, or for any one or more of such purposes or methods, whether or not such a system or works is connected with a reservoir in which the state has a financial interest; provided, however, the Texas Water Development Fund or any other state fund provided for water development, transmission, transfer or filtration shall not be used to finance any project which contemplates or results in the removal from the basin of origin of any surface water necessary to supply the reasonably foreseeable future water requirements for the next ensuing fifty-year period within the river basin of origin, except on a temporary, interim basis.

- (b) Under such provisions as the Legislature may prescribe by General Law the Texas Water Development Fund may be used for the conservation and development of water for useful purposes by construction or reconstruction or enlargement of reservoirs constructed or to be constructed or enlarged within the State of Texas or on any stream constituting a boundary of the State of Texas, together with any systom or works necessary for the filtration, treatment and/or transportation of water, by any one or more of the following governmental agencies: by the United States of America or any agency, department or instrumentality thereof; by the State of Texas or any agency, department or instrumentality thereof; by political subdivisions or bodies politic and corporate of the state; by interstate compact commissions to which the State of Texas is a party; and by municipal corporations. The Legislature shall provide terms and conditions under which the Texas Water Development Board may sell, transfer or lease, in whole or in part, any reservoir and associated system or works which the Texas Water Development Board has financed in whole or in part.
- (c) Under such provisions as the Legislature may prescribe by General Law, the Texas Water Development Board may also execute long-term contracts with the United States or any of its agencies for the acquisition and development of storage facilities in reservoirs constructed or to be constructed by the Federal Government. Such contracts when executed shall constitute general obligations of the State of Texas in the same manner and with the same effect as state bonds issued under the authority of [the-preceding] Section 49-c of this article [Constitution], and the provisions of [in-said] Section 49-c of this article with respect to payment of principal and interest on state bonds issued shall likewise apply with respect to payment of principal and interest required to be paid by such contracts. If storage facilities are required for a term of years, such contracts shall contain provisions for renewal that will protect the state's investment.

[The aggregate of the bonds authorized hereunder shall not exceed \$200,000,000 and shall be in addition to the aggregate of the bonds previously authorized by said Section 49-c of Article III of this Constitution. The Legislature upon two-thirds (3) vote of the elected members of each House, may authorize the Board to issue all or any portion of such \$200,000,000 in additional bonds herein authorized.]

(d) The Legislature shall provide terms and conditions for the Texas Water Development Board to sell, transfer or lease, in whole or in part, any acquired facilities or the right to use such facilities at a price not less than the direct cost of the Board in acquiring same; and the Legislature may provide terms and conditions for the Board to sell any unappropriated public waters of the state that might be stored in such facilities. As a prerequisite to the purchase of such storage or wator, the applicant therefor shall have secured a valid permit from the state [Texas Water Commission or its successor] authorizing the acquisition of such sterage facilities or the water impounded therein. The money received from any sale, transfer or lease of facilities shall be used to pay principal and interest on state bonds issued or contractual obligations incurred by the Texas Water Development Board, provided that when moneys are sufficient to pay the full amount of indebtedness then outstanding and the full amount of interest to accrue thereon, any further sums received from the sale, transfer or lease of such facilities shall be deposited and used as provided by law. Money received from the sale of water, which shall include standby service, may be used for the operation and maintenance of acquired facilities, and for the payment of principal and interest on debt incurred.

[Should the Legislature enact enabling laws in anticipation of the adoption of this Amendment, such Acts shall not be void by reason of their anticipatory character.]

- Sec. 49-d-1. (a) The Texas Water Development Board may [shall upon direction of the Texas Water Quality Board, or any successor agency designated by the Legislature,] issue [additional] Texas Water Development Bonds as authorized by constitutional amendment or by a debt proposition under Section 49 of this article [up to an additional aggregate principal amount of \$200,000,000] to provide grants, loans, or any combination of grants and loans for water quality enhancement purposes as established by the Legislature[. The Texas Water Quality Board or any successor agency designated by the Legislature may make such grants and loans] to political subdivisions or bodies politic and corporate of the State of Texas, including municipal corporations, river authorities, conservation and reclamation districts, and districts created or organized or authorized to be created or organized under Article XVI, Section 59, or Article III, Section 52, of this Constitution, State agencies, and interstate agencies and compact commissions to which the Stato of Texas is a party, and upon such terms and conditions as the Legislature may authorize by general law. The bonds shall be issued for such terms, in such denominations, form and installments, and upon such conditions as the Legislature may authorize.
- (b) The proceeds from the sale of such bonds shall be deposited in the Texas Water Development Fund to be invested and administered as prescribed by law.
- [(e) The bonds authorized in this Section 49 d 1 and all bonds authorized by Sections 49 c and 49 d of Article III shall bear interest at not more than 6% per annum and mature as the Texas Water Development Board shall prescribe, subject to the limitations as may be imposed by the Legislature.]
- (b) [(d)] The Texas Water Development Fund shall be used for the purposes heretofore permitted by, and subject to the limitations in this Section and Sections 49-c and[1] 49-d [and 49-d-1]; provided, however, that the financial assistance may be made [pursuant to the provisions of Sections 49-c, 49-d and 49-d-1] subject only to the availability of funds [and without regard to the provisions in Section 49-c that such financial assistance shall terminate after December 31, 1982].
- [(e) Texas Water Development Bonds are secured by the general credit of the State and shall after approval by the Attorney General, registration by the Comptroller of Public Accounts of the State of Texas, and delivery to the purchasers, be incontestable and shall constitute general obligations of the State of Texas under the Constitution of Texas.
- [(f) Should the Legislature enact enabling laws in anticipation of the adoption of this amendment, such Acts shall not be void by reason of their anticipatory character.]
- Sec. 49-d-2. [(a)] The Texas Water Development Board may issue [additional] Texas Water Development Bonds [up to an additional aggregate-principal amount of \$980 million. Of the additional bonds authorized to be issued, \$590 million of those bonds are dedicated for use for the purposes provided by Sections 49-c and 49-d of this article with \$400 million of those bonds to be used for state participation in the acquisition and development of facilities for the storage, transmission, transportation, and treatment of water and wastewater as authorized by Section 49-d of this article. The legislature may set limits on the extent of state participation in projects in each fiscal year through the General Appropriations Act or other law, and state participation is limited to 50 percent of the funding for any single project. Of the additional bonds authorized, \$190 million are dedicated for use for the purposes provided by Section 49-d-1 of this article and \$200 million are dedicated exclusively] for flood control projects and [may be made available] for any acquisition or construction necessary to achieve structural and nonstructural flood control purposes.
- (b) The Texas Water Development Board shall issue the additional bonds authorized by this section for the terms, in the denominations, form, and installments, on the conditions, and subject to the limitations provided by Sections 49-c, 49-d, and 49-d-1 of this article and by laws adopted by the legislature implementing those sections.
- [(c) Proceeds from the sale of the bonds authorized by this section shall be deposited in the Texas water development fund to be administered and invested as provided by law.
- [(d) Financial assistance made available for the purposes provided by this section is subject only to availability of funds. The requirement of Section 49-c of this article that financial assistance terminate on December 31, 1982, does not apply to financial assistance made available under this section.

- [(e) Bonds issued under this section shall bear interest as provided by Section 65 of this article.]
- Sec. 49-d-5. For the purpose of any program established or authorized by [Section 49-a, 49-d, 49-d-1, 49-d-2, or 49-d-1 of] this article and administered by the Texas Water Development Board, the legislature by law may extend any benefits to nonprofit water supply corporations that it may extend to a district created or organized under Article XVI, Section 59, of this constitution.
- Sec. 49-d-6. [(a) The Texas Water Development Board may issue additional Texas Water Development Bonds up to an additional aggregate principal amount of \$400 million. Of the additional bonds authorized to be issued, \$200 million of those bonds shall be used for purposes provided by Section 49-c of this article, \$150 million of those bonds shall be used for purposes provided by Section 49-d-1 of this article, and \$50 million of those bonds shall be used for flood control as provided by law.
- (b) The legislature may require review and approval of the issuance of *Texas Water Development Bonds* [the bonds], of the use of the bond proceeds, or of the rules adopted by an agency to govern use of the bond proceeds. Notwithstanding any other provision of this constitution, any entity created or directed to conduct this review and approval may include members or appointees of members of the executive, legislative, and judicial departments of state government.
- (c) The Texas Water Development Board shall issue the additional bonds authorized by this section for the terms, in the denominations, form, and installments, on the conditions, and subject to the limitations provided by Sections 49-c and 49-d-1 of this article and by laws adopted by the legislature implementing this section.
- [(d) Subsections (e) through (e) of Section 49 d 2 of this article apply to the bonds authorized by this section.]
- Sec. 49-d-7. (a) [The Texas Water Development Board may issue additional Texas water development bonds up to an additional aggregate principal amount of \$500 million. Of the additional bonds authorized to be issued, \$250 million of those bonds shall be used for purposes provided by Section 49-c of this article, \$150 million of those bonds shall be used for purposes provided by Section 49-d-1 of this article, and \$50 million of those bonds shall be used for flood control as provided by law.
- (b) The Texas Water Development Board may use the proceeds of Texas water development bonds issued for the purposes provided by Section 49–c of this article for the additional purpose of providing financial assistance, on terms and conditions provided by law, to various political subdivisions and bodies politic and corporate of the state and to nonprofit water supply corporations to provide for acquisition, improvement, extension, or construction of water supply projects that involve the distribution of water to points of delivery to wholesale or retail customers.
- [(e) The legislature may require review and approval of the issuance of the bends, the use of the bend-proceeds, or the rules adopted by an agency to govern-use of the bend-proceeds. Notwithstanding any other provision of this constitution, any entity created or directed to conduct this review and approval may include members or appointees of members of the executive, legislative, and judicial departments of state government.
- [(d) Except as specifically provided by Subsection (e) of this section, the Toxas Water Development Board shall issue the additional bonds authorized by this section for the terms, in the denominations, form, and installments, on the conditions, and subject to the limitations provided by Sections 49 c and 49 d 1 of this article and by laws adopted by the legislature implementing this section.]
- (b) [(e)] The legislature may provide by law for subsidized loans and grants from the proceeds of Texas water development bonds [authorized by this section] to provide wholesale and retail water and wastewater facilities to economically distressed areas of the state as defined by law, provided, the principal amount of bonds that may be issued for the purposes under this subsection may not exceed \$250 million [50 percent of the total amount of bonds authorized by this section]. Separate accounts shall be established in the water development fund for administering the proceedings of bonds issued for purposes under this subsection, and an interest and sinking fund separate from and not subject to the limitations of the

interest and sinking fund created [pursuant to Section 49-e] for other Texas water development bonds is established in the State Treasury to be used for paying the principal of and interest on bonds for the purposes of the subsection. While any of the bonds authorized for the purposes of this subsection or any of the interest on those bonds is outstanding and unpaid, there is appropriated out of the first money coming into the State Treasury in each fiscal year, not otherwise appropriated by this constitution, an amount that is sufficient to pay the principal of and interest on those bonds issued for the purposes under this subsection that mature or become due during that fiscal year.

# [(f) Subsections (e) through (e) of Section 49 d-2 of this article apply to the bonds authorized by this section.]

Sec. 49-d-8. (a) The Texas Water Development Fund II is [created] in the state treasury as a fund separate and distinct from the Texas Water Development Fund established under Section 49-c of this article. Money in the Texas Water Development Fund II shall be administered without further appropriation by the Texas Water Development Board and shall be used for any one or more of the purposes currently or formerly authorized by Sections 49-c, 49-d, 49-d-1, 49-d-2, 49-d-5, 49-d-6, and 49-d-7 of this article, as determined by the Texas Water Development Board. Separate accounts shall be established in the Texas Water Development Fund II for administering proceedings related to the purposes described in Section 49-d of this article, the purposes described in Subsection (b) [(e)] of Section 49-d-7 of this article, and all other authorized purposes. The Texas Water Development Board is hereby authorized, at its determination, to issue general obligation bends for one or more accounts of the Texas Water Development Fund II in an aggregate principal amount equal to the amount of bends previously authorized pursuant to former Section 49-d-6 and Sections 49-d-2[,-49-d-6,] and 49-d-7 of this article less the amount of bonds issued pursuant to those sections to augment the Texas Water Development Fund and the amount of bonds issued to augment the Texas Water Development Fund II. Nothing in this section, however, shall grant to the Texas Water Development Board the authority te issue bonds [under this section and under Sections 49-d-2, 49-d-6, and 49-d-7 of this article] in excess of the total amount of those previously authorized bonds [described in Sections 49 d-2, 49 d-6, and 49 d-7 of this article] or to issue bonds for purposes described in Subsection (b) [(e)] of Section 49-d-7 of this article in excess of \$250 million. The expenses of the Texas Water Development Board in connection with the issuance of bonds for an account of the Texas Water Development Fund II and administration of such account may be paid from money in such account.

(b) The Texas Water Development Board is hereby authorized, at its determination, to issue general obligation bends for one or more accounts of the Texas Water Development Fund II in order to refund outstanding bonds previously issued to augment the Texas Water Development Fund, as long as the principal amount of the refunding bonds does not exceed the outstanding principal amount of the refunded bonds, and to refund the general obligation of the State of Texas under long-term contracts entered into by the Texas Water Development Board with the United States or any of its agencies under authority granted by Section 49-d of this article, as long as the principal amount of the refunding bonds does not exceed the principal amount of the contractual obligation of the Texas Water Development Board. Money and assets in the Texas Water Development Fund attributable to such refunding bonds shall be transferred to the appropriate account of the Texas Water Development Fund II, as determined by the Texas Water Development Board, to the extent not inconsistent with the proceedings authorizing any outstanding bonds issued to augment the Texas Water Development Fund and the terms of any long-term contracts entered into by the Texas Water Development Board with the United States or any of its agencies. In addition, the Texas Water Development Board may transfer other moneys and assets in the Texas Water Development Fund to the appropriate account of the Texas Water Development Fund II, as determined by the Texas Water Development Board, without the necessity of issuing refunding bonds to effect the transfer, to the extent not inconsistent with the proceedings authorizing any outstanding bonds issued to augment the Texas Water Development Fund. Further, at such time as all bonds issued to augment the Texas Water Development Fund and all such contractual obligations have been paid or otherwise discharged, all money and assets in the Texas Water Development Fund shall be transferred to the credit of the Texas Water Development Fund II and deposited to the accounts therein, as determined by the Texas Water Development Board.

- (c) Subject to the limitations set forth in Section 49–d of this article, the legislature shall provide terms and conditions under which the Texas Water Development Board may sell, transfer, or lease, in whole or in part, facilities held for the account established within the Texas Water Development Fund II for administering proceedings related to the purposes described in Section 49–d of this article, and the legislature may provide terms and conditions under which the Texas Water Development Board may sell any unappropriated public waters of the state that may be stored in such facilities. Money received from any sale, transfer, or lease of such facilities or water shall be credited to the account established within the Texas Water Development Fund II for the purpose of administering proceedings related to the purposes described in Section 49–d of this article.
  - (d) Each account of the Texas Water Development Fund II shall consist of:
  - (1) the Texas Water Development Board's rights to receive repayment of financial assistance provided from such account, together with any evidence of such rights;
  - (2) money received from the sale or other disposition of the Texas Water Development Board's rights to receive repayment of such financial assistance;
    - (3) money received as repayment of such financial assistance;
  - (4) money and assets attributable to bonds issued and sold by the Texas Water Development Board for such account, including money and assets transferred from the Texas Water Development Fund pursuant to this section;
    - (5) money deposited in such account pursuant te Subsection (c) of this section;
  - (6) payments received by the Texas Water Development Board under a bond enhancement agreement as authorized by law with respect to bonds issued for such account; and
    - (7) interest and other income received from investment of money in such account.
- (e) Notwithstanding the *other* provisions of [Sections 49 d 2, 49 d 6, and 49 d 7 of] this article, the principal of and interest on the general obligation bonds issued for an account of the Texas Water Development Fund II, including payments by the Texas Water Development Board under a bond enhancement agreement as authorized by law with respect to principal of or interest on such bonds, shall be paid out of such account, but the money in such account that is not immediately committed to the purposes of such account or the payment of expenses may be invested as authorized by law until the money is needed for those purposes. If there is not enough money in any account available to pay the principal of and interest on the general obligation bonds issued for such account, including money to make payments by the Texas Water Development Board under a bond enhancement agreement as authorized by law with respect to principal of or interest on such bonds, there is appropriated out of the first money coming into the state treasury in each fiscal year not otherwise appropriated by this constitution an amount that is sufficient to pay the principal of and interest on such general obligation bonds that mature or become due during that fiscal year or to make bond enhancement payments with respect to those bonds.
- (f) The general obligation bonds authorized by this section may be issued as bonds, notes, or other obligations as permitted by law and shall be sold in forms and denominations, on terms, at times, in the manner, at places, and in installments, all as determined by the Texas Water Development Board. The bonds shall bear a rate or rates of interest the Texas Water Development Board determines. The bonds authorized by this section shall be incontestable after execution by the Texas Water Development Board, approval by the attorney general, and delivery to the purchaser or purchasers of the bonds.
- (g) This section being intended only to establish a basic framework and not to be a comprehensive treatment of the Texas Water Development Fund II, there is hereby reposed in the legislature full power to implement and effectuate the design and objects of this section, including the power to delegate such duties, responsibilities, functions, and authority to the Texas Water Development Board as it believes necessary.
- (h) The Texas Water Development Fund II, including any account in that fund, may not be used to finance or aid any project that contemplates or results in the removal from the basin of origin of any surface water necessary to supply the reasonably foreseeable future water requirements for the next ensuing 50-year period within the river basin of origin, except on a temporary, interim basis.

SECTION 16. Section 49-e, Article 111, Texas Constitution, is amended to read as follows:

Sec. 49-e. (a) The Parks and Wildlife Department, or its successor vested with the powers, duties, and authority which deals with the operation, maintenance, and improvement of State Parks, shall have the authority to provide for, issue and sell general obligation bonds of the State of Texas in an amount authorized by constitutional amendment or by a debt proposition under Section 49 of this article [not to exceed Seventy-Five Million Dollars (\$75,000,000)]. The bonds [authorized herein] shall be called "Texas Park Development Bonds," shall be executed in such form, denominations, and upon such terms as may be prescribed by law, [provided, however, that the bonds] shall bear a rate or rates of interest as may be fixed by the Parks and Wildlife Department or its successor, not to exceed the maximum prescribed by Section 65 of this article, and [but the weighted average annual interest rate, as that phrase is commonly and ordinarily used and understood in the municipal bond market, of all the bonds issued and sold in any installment of any bonds, shall not exceed four and one half percent (4½%) interest per annum; they] may be issued in such installments as said Parks and Wildlife Department, or its said successor, finds feasible and practical in accomplishing the purpose set forth herein.

- (b) All moneys received from the sale of said bonds shall be deposited in a fund hereby created with the Comptroller of Public Accounts of the State of Texas to be known as the Texas Park Development Fund to be administered (without further appropriation) by the said Parks and Wildlife Department, or its said successor, in such manner as prescribed by law.
- (c) Such fund shall be used by said Parks and Wildlife Department, or its said successor, under such provisions as the Legislature may prescribe by general law, for the purposes of acquiring lands from the United States, or any governmental agency thereof, from any governmental agency of the State of Texas, or from any person, firm, or corporation, for State Park Sites and for developing said sites as State Parks.
- (d) While any of the bonds [authorized by this provision], or any interest on any such bonds, is outstanding and unpaid, there is hereby appropriated out of the first moneys coming into the Treasury in each fiscal year, not otherwise appropriated by this Constitution, an amount which is sufficient to pay the principal and interest on such bonds that mature or become due during such fiscal year, less the amount in the interest and sinking fund at the close of the prior fiscal year, which includes any receipts derived during the prior fiscal year by said Parks and Wildlife Department, or its said successor, from admission charges to State Parks, as the Legislature may prescribe by general law.
- (e) The Legislature may provide for the investment of moneys available in the Texas Park Development Fund and the interest and sinking fund established for the payment of bonds issued by said Parks and Wildlife Department, or its said successor. Income from such investment shall be used for the purposes prescribed by the Legislature.
- (f) Frem the moneys received by said Parks and Wildlife Department, or its said successor, from the sale of the bonds issued hereunder, there shall be deposited in the interest and sinking fund for the bonds authorized by this section sufficient moneys to pay the interest te become due during the State fiscal year in which the bonds were issued. After all bonds have been fully paid with interest, or after there are on deposit in the interest and sinking fund sufficient moneys to pay all future maturities of principal and interest, additional moneys received from admission charges to State Parks shall be deposited to the State Parks Fund, or any successor fund which may be established by the Legislature as a depositery for Park revenue earned by said Parks and Wildlife Department, or its said successor.
- (g) All bonds issued hereunder shall after approval by the Attorney General, registration by the Comptroller of Public Accounts of the State of Texas, and delivery to the purchasers, be incontestable and shall constitute general obligations of the State of Texas under the Constitution of Texas.

[Should the Legislature enact enabling laws in anticipation of the adoption of this amendment, such Acts shall not be void by reason of their anticipatory nature.]

SECTION 17. Section 49-h, Article III, Texas Constitution, is amended to read as follows:

- Sec. 49-h. (a) In amounts authorized by constitutional amendment or by a debt proposition under Section 49 of this article, the [The] legislature may provide for [authorize] the issuance of [up to \$500 million in] general obligation bonds and the use of the bond proceeds for acquiring, constructing, or equipping new facilities or for major repair or renovation of existing facilities of corrections institutions, including youth corrections institutions, and mental health and mental retardation institutions. The legislature may require the review and approval of the issuance of the bonds and the projects to be financed by the bond proceeds. Notwithstanding any other provision of this constitution, the issuer of the bonds or any entity created or directed to review and approve projects may include members or appointees of members of the executive, legislative, and judicial departments of state government.
- (b) Bonds issued under this section constitute a general obligation of the state. While any of the bonds or interest on the bonds is outstanding and unpaid, there is appropriated out of the first money coming into the treasury in each fiscal year, not otherwise appropriated by this constitution, the amount sufficient to pay the principal of and interest on the bonds that mature or become due during the fiscal year, less any amount in any sinking fund at the end of the preceding fiscal year that is pledged to payment of the bonds or interest.
- (c) In addition to the purposes authorized under Subsection (a), the [(1) The] legislature may authorize the issuance of the [up to \$400 million in] general obligation bonds[, in addition to the amount authorized by Subsection (a) of this section, and use the proceeds of the bonds] for acquiring, constructing, or equipping:
  - (1) new [corrections institutions, mental health and mental retardation institutions, youth corrections institutions, and] statewide law enforcement facilities and for major repair or renovation of existing facilities; and [of those institutions.
  - [(2) The provisions of Subsection (a) of this section relating to the review and approval of bends and the provisions of Subsection (b) of this section relating to the status of the bends as a general obligation of the state and to the manner in which the principal and interest on the bends are paid apply to bends authorized under this subsection.
- [(d)(1) The legislature may authorize the issuance of up to \$1.1 billion in general obligation bonds, in addition to the amount authorized by Subsections (a) and (c) of this section, and may use the proceeds of the bonds for acquiring, constructing, or equipping]
  - (2) new prisons and substance abuse felony punishment facilities to confine criminals[1] mental health and mental retardation institutions,] and [youth corrections institutions, for] major repair or renovation of existing facilities of those institutions, and for the acquisition of, major repair to, or renovation of other facilities for use as state prisons or substance abuse felony punishment facilities. [Proceeds of general obligation bonds issued under this subdivision may not be appropriated by any session of the legislature other than the 2nd Called Session of the 72nd Legislature or any subsequent session of the legislature.
  - [(2) The provisions of Subsection (a) of this section relating to the review and approval of bonds and the provisions of Subsection (b) of this section relating to the status of the bonds as a general obligation of the state and to the manner in which the principal and interest on the bonds are paid apply to bonds authorized under this subsection.
- [(e)(1) The legislature may authorize the issuance of up to \$1 billion in general obligation bonds, in addition to the amounts authorized by Subsections (a), (e), and (d) of this section, and use the proceeds of the bonds for acquiring, constructing, or equipping new corrections institutions, including youth corrections institutions, and mental health and mental retardation institutions and for major repair or renovation of existing facilities of those corrections and mental health and mental retardation institutions.
  - [(2) The previsions of Subsection (a) of this section relating to the review and approval of bends and the previsions of Subsection (b) of this section relating to the status of the bends as a general obligation of the state and to the manner in which the principal and interest on the bends are paid apply to bends authorized under this subsection.]
- SECTION 18. Subsection (a), Section 50b-4, Article III, Texas Constitution, is amended to read as follows:
- (a) The legislature by general law may authorize the Texas Higher Education Coordinating Board or its successor or successors to issue and sell general obligation bonds of the State of 6629

Texas in an amount authorized by constitutional amendment or by a debt proposition under Section 49 of this article [not to exceed \$300 million] to finance educational loans to students who have been admitted to attend an institution of higher education within the State of Texas, public or private, which is recognized or accredited under terms and conditions prescribed by the Legislature. [The bonds are in addition to those bonds issued under Sections 50b, 50b-1, 50b-2, and 50b-3, Article III, Texas Constitution.]

SECTION 19. Section 51, Article III, Texas Constitution, is amended to read as follows: Sec. 51. The Legislature shall have no power to make any grant or authorize the making of any grant of public moneys to any individual, association of individuals, municipal or other corporations whatsoever; [provided, however, the Legislature may grant aid to indigent and disabled Confederate soldiers and sailors under such regulations and limitations as may be deemed by the Legislature as expedient, and to their widows in indigent circumstances under such regulations and limitations as may be deemed by the Legislature as expedient;] provided that the provisions of this Section shall not be construed so as to prevent the grant of aid in cases of public calamity.

SECTION 20. Section 51-a, Article III, Texas Constitution, is amended to read as follows:

- Sec. 51-a. (a) The Legislature shall have the power, by General Laws, to provide, subject to limitations herein contained, and such other limitations, restrictions and regulations as may by the Legislature be deemed expedient, for assistance grants to needy dependent children and the caretakers of such children, needy persons who are totally and permanently disabled because of a mental or physical handicap, needy aged persons and needy blind persons.
- (b) The Legislature may provide by General Law for medical care, rehabilitation and other similar services for needy persons. The Legislature may prescribe such other eligibility requirements for participation in these programs as it deems appropriate and may make appropriations out of state funds for such purposes. The maximum amount pald out of state funds for assistance grants, to or on behalf of needy dependent children and their caretakers shall not exceed [the amount of Eighty Million Dollars (\$80,000,000) during any fiscal year, except that the limit shall be One Hundred Sixty Million Dollars (\$160,000,000) for the two years of the 1982-1983 biennium. For the two years of each subsequent biennium, the maximum amount shall not exceed] one percent of the state budget. The Legislature by general statute shall provide for the means for determining the state budget amounts, including state and other funds appropriated by the Legislature, to be used in establishing the biennial limit.
- (c) Provided further, that if the limitations and restrictions herein contained are found to be in conflict with the provisions of appropriate federal statutes, as they now are or as they may be amended to the extent that federal matching money is not available to the state for these purposes, then and in that event the Legislature is specifically authorized and empowered to prescribe such limitations and restrictions and enact such laws as may be necessary in order that such federal matching money will be available for assistance and/or medical care for or on behalf of needy persons.
- (d) Nothing in this Section shall be construed to amend, modify or repeal Section 31 of Article XVI of this Constitution; provided further, however, that such medical care, services or assistance shall also include the employment of objective or subjective means, without the use of drugs, for the purpose of ascertaining and measuring the powers of vision of the human eye, and fitting lenses or prisms to correct or remedy any defect or abnormal condition of vision. Nothing herein shall be construed to permit optometrists to treat the eyes for any defect whatsoever in any manner nor to administer nor to prescribe any drug or physical treatment whatsoever, unless such optometrist is a regularly licensed physician or surgeon under the laws of this state.

SECTION 21. Subsections (b) and (c), Section 52, Article III, Texas Constitution, are amended to read as follows:

(b) Under Legislative provision, any county, [any] political subdivision of a county, [any] number of adjoining counties, [or any] political subdivision of the State, or [any] defined district now or hereafter to be described and defined within the State of Texas, and which may or may not include, towns, villages or municipal corporations, upon a vote of two-thirds

majority of the [resident property taxpayers] voting [thereon who are] qualified voters [electors] of such district or territory to be affected thereby, [in addition to all other debts,] may issue bonds or otherwise lend its credit in any amount not to exceed one-fourth of the assessed valuation of the real property of such district or territory, except that the total bonded indebtedness of any city or town shall never exceed the limits imposed by other provisions of this Constitution, and levy and collect taxes to pay the interest thereon and provide a sinking fund for the redemption thereof, as the Legislature may authorize, and in such manner as it may authorize the same, for the following purposes to wit:

- (1) The improvement of rivers, creeks, and streams to prevent overflows, and to permit of navigation thereof, or irrigation thereof, or in aid of such purposes.
- (2) The construction and maintenance of peols, lakes, reservoirs, dams, canals and waterways for the purposes of irrigation, drainage or navigation, or in aid thereof.
- (3) The construction, maintenance and operation of macadamized, graveled or paved roads and turnpikes, or in aid thereof.
- (c) Notwithstanding the provisions of Subsection (b) of this Section, bonds may be issued by any county in an amount not to exceed one-fourth of the assessed valuation of the real property in the county, for the construction, maintenance, and operation of macadamized, graveled, or paved roads and turnpikes, or in aid thereof, upon a vote of a majority of the [resident property taxpayers] voting [thereon who are] qualified voters [electors] of the county, and without the necessity of further or amendatory legislation. The county may levy and collect taxes to pay the interest on the bonds as it becomes due and to provide a sinking fund for redemption of the bonds.
- SECTIC N 22. Section 52d, Article III, Texas Constitution, is amended to read as follows: Sec. 52d. (a) Upon the vote of a majority of the [resident] qualified voters [electors ewning rendered taxable property therein] so authorizing, a county or road district may collect an annual tax for a period not exceeding five (5) years to create a fund for constructing lasting and permanent roads and bridges or both. No contract involving the expenditure of any of such fund shall be valid unless, when it is made, money shall be on hand in such fund.
- (b) At such election, the Commissioners' Court shall submit for adoption a road plan and designate the amount of special tax to be levied; the number of years said tax is to be levied; the location, description, and character of the roads and bridges; and the estimated cost thereof. The funds raised by such taxes shall not be used for purposes other than those specified in the plan submitted to the voters. Elections may be held from time to time to extend or discontinue said plan or to increase or diminish said tax. The Legislature shall enact laws prescribing the procedure hereunder.
- (c) The provisions of this section shall apply only to Harris County and road districts therein.

SECTION 23. Section 52g, Article III, Texas Constitution, is amended to read as follows: Sec. 52g. Bonds to be issued by Dallas County under Section 52(b)(3) [52] of Article III of this Constitution [for the construction, maintenance and operation of macadamized, graveled or paved roads and turnpikes, or in aid thereof,] may, without the necessity of further or amendatory legislation, be issued upon a vote of a majority of the [residents] voting [thereon who are] qualified voters [electors] of said county, and bonds heretofore or hereafter issued under Subsections (a) and (b) of said Section 52 shall not be included in detormining the debt limit prescribed in said Section.

SECTION 24. Section 7, Article IV, Texas Constitution, is amended to read as follows:

Sec. 7. He shall be Commander-in-Chief of the military forces of the State, except when they are called into actual service of the United States. He shall have power to call forth the militia to executo the laws of the State, to suppress insurrections, and to repel invasions[, and protect the frontier from hostile incursions by Indians or other productry bands].

SECTION 25. Section 16, Article IV, Texas Constitution, is amended to read as follows:

Sec. 16. There shall also be a Lieutenant Governor, who shall be chosen at every election for Governor by the same *voters* [electors], in the same manner, continue in office for the same time, and possess the same qualifications. The *voters* [electors] shall distinguish for whom they vote as Governor and for whom as Lieutenant Governor. The Lieutenant

Governor, shall by virtue of his office, be President of the Senate, and shall have, when in Committee of the Whole, a right to debate and vote on all questions; and when the Senate is equally divided to give the casting vote. In case of the death, resignation, removal from office, inability or refusal of the Governor to serve, or of his impeachment or absence from the State, the Lieutenant Governor shall exercise the powers and authority appertaining to the office of Governor until another be chosen at the periodical election, and be duly qualified; or until the Governor impeached, absent or disabled, shall be acquitted, return, or his disability be removed.

SECTION 26. Section 22, Article IV, Texas Constitution, is amended to read as follows:

Sec. 22. The Attorney General [elected at the general election in 1974, and thereafter, shall hold office for four years and until his successor is duly qualified. He] shall represent the State in all suits and pleas in the Supreme Court of the State in which the State may be a party, and shall especially inquire into the charter rights of all private corporations, and from time to time, in the name of the State, take such action in the courts as may be proper and necessary to prevent any private corporation from exercising any power or demanding or collecting any species of taxes, tolls, freight or wharfage not authorized by law. He shall, whenever sufficient cause exists, seek a judicial forfeiture of such charters, unless otherwise expressly directed by law, and give legal advice in writing to the Governor and other executive officers, when requested by them, and perform such other duties as may be required by law. [He shall reside at the seat of government during his continuance in office. He shall receive for his services an annual salary in an amount to be fixed by the Legislature.]

SECTION 27. Section 23, Article IV, Texas Constitution, is amended to read as follows:

Sec. 23. The Comptroller of Public Accounts, the Commissioner of the General Land Office, the Attorney General, and any statutory State officer who is elected by the electorate of Texas at large, unless a term of office is otherwise specifically provided in this Constitution, shall each hold office for the term of four years [and until his successor is qualified. The four year term applies to these officers who are elected at the general election in 1974 or thereafter]. Each shall receive an annual salary in an amount to be fixed by the Legislature; reside at the Capital of the State during his continuance in office, and perform such duties as are or may be required by law. They and the Secretary of State shall not receive to their own use any fees, costs or perquisites of office. All fees that may be payable by law for any service performed by any officer specified in this section or in his office, shall be paid, when received, into the State Treasury.

SECTION 28. Section 9, Article V, Texas Constitution, is amended to read as follows:

Sec. 9. There shall be a Clerk for the District Court of each county, who shall be elected by the qualified voters [for State and county officers,] and who shall hold his office for four years, subject to removal by information, or by indictment of a grand jury, and conviction of a petit jury. In case of vacancy, the Judge of the District Court shall have the power to appoint a Clerk, who shall hold until the office can be filled by election.

SECTION 29. Section 2, Article VI, Texas Constitution, is amended to read as follows:

Sec. 2. Every person subject to none of the foregoing disqualifications [who shall have attained the age of 18 years and] who shall be a citizen of the United States and who is a resident of this state shall be deemed a qualified voter [elector]; provided, however, that before offering to vote at an election a voter shall have registered, but such requirement for registration shall not be considered a qualification of a voter [an elector] within the meaning of the term "qualified voter [elector]" as used in any other Article of this Constitution in respect to any matter except qualification and eligibility to vote at an election. The Legislature may authorize absentee voting.

SECTION 30. Subsections (a) and (b), Section 2a, Article VI, Texas Constitution, are amended to read as follows:

(a) Notwithstanding any other provision of this Constitution, the Legislature may enact laws and provide a method of registration, including the time of such registration, permitting any person who is qualified to vote in this State except for the residence requirements within a county or district, as set forth in Section 2 of this Article, to vote for (1) electers for President and Vice President of the United States and (2) all offices, questions or propositions to be voted on by all *voters* [electors] throughout this State.

- (b) Notwithstanding any other provision of this Constitution, the Legislature may enact laws and provide for a method of registration, including the time for such registration, permitting any person (1) who is qualified to vote in this State except for the residence requirements of Section 2 of this Article, and (2) who shall have resided anywhere within this State at least thirty (30) days next preceding a General Election in a presidential election year, and (3) who shall have been a qualified *voter* [elector] in another state immediately prior to his removal to this State or would have been eligible to vote in such other state had he remained there until such election, to vote for electors for President and Vice President of the United States in that election.
  - SECTION 31. Section 3, Article VI, Texas Constitution, is amended to read as follows:
- Sec. 3. All qualified *voters* [electors] of the State, as herein described, who reside within the limits of any city or corporate town, shall have the right to vote for Mayor and all other elective officers.
  - SECTION 32. Section 3a, Article VI, Texas Constitution, is amended to read as follows:
- Sec. 3a. When an election is held by any county, or any number of counties, or any political sub-division of the State, or any political sub-division of a county, or any defined district now or hereafter to be described and defined within the State and which may or may not include towns, villages or municipal corporations, or any city, tewn or village, for the purpose of issuing bonds or otherwise lending credit, or expending money or assuming any debt, only qualified voters of [electors who own taxable property in] the State, county, political sub-division, district, city, town or village where such election is held[, and who have duly rendered the same for taxation,] shall be qualified to vote [and all electors shall vote in the election precinct of their residence].
  - SECTION 33. Section 3, Article VII, Texas Constitution, is amended to read as follows:
- Sec. 3. (a) One-fourth of the revenue derived from the State occupation taxes [and-poll tax of one dollar on every inhabitant of the State, between the ages of twenty one and sixty years,] shall be set apart annually for the benefit of the public free schools.
- (b) It[; and in addition thereto, there shall be levied and collected an annual ad valorem State tax of such an amount not to exceed thirty-five cents on the one hundred (\$100.00) dollars valuation, as with the available school fund arising from all other sources, will be sufficient to maintain and support the public schools of this State for a period of not less than six months in each year, and it] shall be the duty of the State Board of Education to set aside a sufficient amount of available funds [out of the said tax] to provide free text books for the use of children attending the public free schools of this State.
- (c) Should[; -provided, however, that should] the [limit-of] taxation herein named be insufficient the deficit may be met by appropriation from the general funds of the State. [and the]
- (d) The Legislature may [also] provide for the formation of school districts [district] by general laws.[;] and all such school districts may embrace parts of two or more counties.
- (e) The[, and the] Legislature shall be authorized to pass laws for the assessment and collection of taxes in all school [said] districts and for the management and control of the public school or schools of such districts, whether such districts are composed of territory wholly within a county or in parts of two or more counties, and the Legislature may authorize an additional ad valorem tax to be levied and collected within all school districts [heretofore formed or hereafter formed,] for the further maintenance of public free schools, and for the erection and equipment of school buildings therein; provided that a majority of the qualified [property taxpaying] voters of the district voting at an election to be held for that purpose, shall approve the [vote such] tax [not to exceed in any one year one (\$1,00) dollar on the one hundred dollars valuation of the property subject to taxation in such district, but the limitation upon the amount of school district tax herein authorized shall not apply to incorporated cities or towns constituting separate and independent school districts, nor to independent or common school districts created by general or special law].
- SECTION 34. Section 1-a, Article VIII, Texas Constitution, is amended to read as follows:

Sec. 1-a. No [From and after January 1, 1951, no] State ad valorem tax shall be levied upon any property within this State [for general revenue purposes]. The [From and after January 1, 1951, the] several counties of the State are authorized te levy ad valorem taxes upon all property within their respective boundaries for county purposes, except the first Three Thousand Dollars (\$3,000) value of residential homesteads of married or unmarried adults, male or female, including those living alone, not to exceed thirty cents (30¢) on each One Hundred Dollars (\$100) valuation, in addition to all other ad valorem taxes authorized by the Constitution of this State, provided the revenue derived therefrom shall be used for construction and maintenance of Farm to Market Roads or for Flood Control, except as herein otherwise provided.

[Provided that in those counties or political subdivisions or areas of the State from which tax donations have heretofore been granted, the State Automatic Tax Board shall continue to levy the full amount of the State ad valorem tax for the duration of such donation, or until all legal obligations heretofore authorized by the law granting such donation or donations shall have been fully discharged, whichever shall first occur; provided that if such donation to any such county or political subdivision is for less than the full amount of State ad valorem taxes so levied, the portion of such taxes remaining over and above such donation shall be retained by said county or subdivision.

SECTION 35. Subsection (b), Section 1-b, Article VIII, Texas Constitution, is amended to read as follows:

(b) The governing body of any county, city, town, school district, or other political subdivision of the State[, other than a county education district,] may exempt by its own action not less than Three Thousand Dollars (\$3,000) of the market value of residence homesteads of persons, married or unmarried, including those living alone, who are under a disability for purposes of payment of disability insurance benefits under Federal Old-Age, Survivors, and Disability Insurance or its successor or of married or unmarried persons sixtyfive (65) years of age or older, including those living alone, from all ad valorem taxes thereafter levied by the political subdivision. As an alternative, upon receipt of a petition signed by twenty percent (20%) of the voters who voted in the last preceding election held by the political subdivision, the governing body of the subdivision shall call an election to determine by majority vote whether an amount not less than Three Thousand Dollars (\$3,000) as provided in the petition, of the market value of residence homesteads of disabled persons or of persons sixty-five (65) years of age or over shall be exempt from ad valorem taxes thereafter levied by the political subdivision. [In the manner provided by law, the voters of a county education district at an election held for that purpose may exempt an amount not less than Three Thousand Dollars (\$3,000), as provided in the petition, of the market value of residence-homesteads of disabled persons or of persons sixty-five (65) years of age or over from ad-valorem taxes thereafter levied by the county education district.] An eligible disabled person who is sixty-five (65) years of age or older may not receive both exemptions from the same political subdivision in the same year but may choose either if the subdivision has adopted both. Where any ad valorem tax has theretofore been pledged for the payment of any debt, the taxing officers of the political subdivision shall have authority to continue to levy and collect the tax against the homestead property at the same rate as the tax so pledged until the debt is discharged, if the cessation of the levy would impair the obligation of the contract by which the debt was created. [An exemption adopted under this subsection based on assessed value is increased, effective January 1, 1979, to an amount that, when converted to market value, provides the same reduction in taxes, except that the market value exemption shall be rounded to the nearest \$100.]

SECTION 36. Subsection (b), Section 1-j, Article VIII, Texas Constitution, is amended to read as follows:

(b) [Tangible-personal property-exempted-from taxation in Subsection (a) of this section is subject to the following:

[(1) A county, common, or independent school district, junior college district, or municipality, including a home-rule city, may tax such property otherwise exempt, if the governing body of the county, common, or independent school district, junior college district, or municipality takes official action as provided in this section and in the manner provided by law to provide for the taxation of such property.

- [(2) Any official action to tax such exempt property must be taken before April 1, 1990. If official action is taken to tax such exempt property before January 1, 1990, such property is taxable effective for the tax year 1990. However, if such official action to tax such exempt property is taken prior to April 1, 1990, but after January 1, 1990, the official action shall not become effective to tax such property until the 1991 tax year.
- [(3) Any of the above-named political subdivisions shall have the authority to exempt from payment of taxation such property located in such above-named political subdivisions for the taxing year 1989. If a governing body exempts the property from 1989 taxes, the governing body shall waive 1989 taxes already imposed and refund 1989 taxes already paid on such property for that year.
- [(4)] The governing body of a county, common, or independent school district, junior college district, or municipality that, acting under previous constitutional authority, taxes [acts under Subdivision (2) of Subsection (b) of this section to tax the] property otherwise exempt by Subsection (a) of this section may subsequently exempt the property from taxation by rescinding its action to tax the property. The exemption applies to each tax year that begins after the date the action is taken and applies to the tax year in which the action is taken if the governing body so provides. A governing body that rescinds its action to tax the property may not take action to tax such property after the rescission. SECTION 37. Section 6, Article VIII, Texas Constitution, is amended to read as follows:
- Sec. 6. No money shall be drawn from the Treasury but in pursuance of specific appropriations made by law; nor shall any appropriation of money be made for a longer term than two years[, except by the first Legislature to assemble under this Constitution, which may make the necessary appropriations to carry on the government until the assemblage of the sixteenth Legislature].
  - SECTION 38. Section 9, Article VIII, Texas Constitution, is amended to read as follows:
- Sec. 9. (a) No [The State tax on property, exclusive of the tax necessary to pay the public debt, and of the taxes provided for the benefit of the public free schools, shall never exceed Thirty-five Cents (35¢) on the One Hundred Dollars (\$100) valuation; and no] county, city or town shall levy a tax rate in excess of Eighty Cents (80¢) on the One Hundred Dollars (\$100) valuation in any one (1) year for general fund, permanent improvement fund, road and bridge fund and jury fund purposes.
- (b) At[; provided further that at] the time the Commissioners Court meets to levy the annual tax rate for each county it shall levy whatever tax rate may be needed for the four (4) constitutional purposes; namely, general fund, permanent improvement fund, road and bridge fund and jury fund so long as the Court does not impair any outstanding bonds or other obligations and so long as the total of the foregoing tax levies does not exceed Eighty Cents (80¢) on the One Hundred Dollars (\$100) valuation in any one (1) year. Once the Court has levied the annual tax rate, the same shall remain in force and effect during that taxable year.
- (c) The [; and the] Legislature may [also] authorize an additional annual ad valorem tax to be levied and collected for the further maintenance of the public roads; provided, that a majority of the qualified [property taxpaying] voters of the county voting at an election to be held for that purpose shall approve the [vote such] tax, not to exceed Fifteen Cents (15¢) on the One Hundred Dollars (\$100) valuation of the property subject to taxation in such county.
- (d) Any county may put all tax money collected by the county into one general fund, without regard to the purpose or source of each tax.
- (e) The [And-the] Legislature may pass local laws for the maintenance of the public roads and highways, without the local notice required for special or local laws.
- (f) This Section shall not be construed as a limitation of powers delegated to counties, cities or towns by any other Section or Sections of this Constitution.
- SECTION 39. Section 16a, Article VIII, Texas Constitution, is amended to read as follows:
- Sec. 16a. In any county having a population of less than ten thousand (10,000) inhabitants, as determined by the last preceding census of the United States, the Commissioners Court may submit to the qualified [property taxpaying] voters of such county at an election the question of adding an Assessor-Collector of Taxes to the list of authorized county officials. If

a majority of such voters voting in such election shall approve of adding an Assessor-Collector of Taxes to such list, then such official shall be elected at the next General Election for such Constitutional term of office as is provided for other Tax Assessor-Collectors in this State.

SECTION 40. Section 20, Article VIII, Texas Constitution, is amended to read as follows:

Sec. 20. No property of any kind in this State shall ever be assessed for ad valorem taxes at a greater value than its fair cash market value nor shall any Board of Equalization of any governmental or political subdivision or taxing district within this State fix the value of any property for tax purposes at more than its fair cash market value; provided that in order to encourage the prompt payment of taxes, the Legislature shall have the power to provide that the taxpayer shall be allowed by the State and all governmental and political subdivisions and taxing districts of the State a three per cent (3%) discount on ad valorem taxes due the State or due any governmental or political subdivision or taxing district of the State if such taxes are paid ninety (90) days before the date when they would otherwise become delinquent; and the taxpayer shall be allowed a two per cent (2%) discount on said taxes if paid sixty (60) days before said taxes would become delinquent; and the taxpayer shall be allowed a one per cent (1%) discount if said taxes are paid thirty (30) days before they would otherwise become delinquent. [This amendment shall be effective January 1, 1939.] The Legislature shall pass necessary laws for the proper administration of this Section.

SECTION 41. Section 1, Article IX, Texas Constitution, is amended to read as follows:

Sec. 1. The Legislature shall have power to create counties for the convenience of the people subject te the following provisions:

[First, In the territory of the State exterior to all counties now existing, no new counties shall be created with a less area than nine hundred square miles, in a square form, unless prevented by pre-existing boundary lines. Should the State lines render this impracticable in border counties, the area may be less. The territory referred to may, at any time, in whole or in part, be divided into counties in advance of population and attached, for judicial and land surveying purposes, to the most convenient organized county or counties.]

- (1) [Second.] Within the territory of any county or counties [now existing], no new county shall be created with a less area than seven hundred square miles, nor shall any such county now existing be reduced to a less area than seven hundred square miles. No new counties shall be created so as to approach nearer than twelve miles of the county seat of any county from which it may in whole or in part be taken. Counties of a less area than nine hundred, but of seven hundred or more square miles, within counties now existing, may be created by a two-thirds vote of each House of the Legislature, taken by yeas and nays and entered on the journals. Any county now existing may be reduced to an area of not less than seven hundred square miles by a like two-thirds vote. When any part of a county is stricken off and attached to, or created into another county, the part stricken off shall be holden for and obliged to pay its proportion of all the liabilities then existing, of the county from which it was taken, in such manner as may be prescribed by law.
- (2) [Third.] No part of any existing county shall be detached from it and attached to another existing county until the proposition for such change shall have been submitted, in such manner as may be provided by law, to a vote of the *voters* [electors] of both counties, and shall have received a majority of those voting on the question in each.

SECTION 42. Section 2, Article IX, Texas Constitution, is amended to read as follows:

Sec. 2. The Legislature shall pass laws regulating the manner of removing county seats, but no county seat situated within five miles of the geographical centre of the county shall be removed, except by a vote of two-thirds of all the *voters* [electors] voting on the subject. A majority of such *voters* [electors], however, voting at such election, may remove a county seat from a point more than five miles from the geographical centre of the county to a point within five miles of such centre, in either case the centre to be determined by a certificate from the Commissioner of the General Land Office.

SECTION 43. Section 4, Article IX, Texas Constitution, is amended to read as follows:

Sec. 4. The Legislature may by law authorize the creation of county-wide Hospital Districts in counties having a population in excess of 190,000 and in Galveston County, with power to issue bonds for the purchase, acquisition, construction, maintenance and operation of any county owned hospital, or where the hospital system is jointly operated by a county and

city within the county, and to provide for the transfer to the county-wide Hospital District of the title to any land, buildings or equipment, jointly or separately owned, and for the assumption by the district of any outstanding bonded indebtedness theretofore issued by any county or city for the establishment of hospitals or hospital facilities; to levy a tax not to exceed seventy-five (\$.75) cents on the One Hundred (\$100.00) Dollars valuation of all taxable property within such district, provided, however, that such district shall be approved at an election held for that purpose, and that only qualified [, property taxpaying] voters in such county shall voto therein; provided further, that such Hospital District shall assume full responsibility for providing medical and hospital care to needy inhabitants of the county, and thereafter such county and cities therein shall not levy any other tax for hospital purposes; and provided further that should such Hospital District construct, maintain and support a hospital or hospital systom, that the same shall never become a charge against the State of Texas, nor shall any direct appropriation ever be made by the Legislature for the construction, maintonance or improvement of the said hospital or hospitals. [Should the Logislature enact enabling laws in anticipation of the adoption of this amendment, such Acts shall not be invalid because of their anticipatory character.]

SECTION 44. Subsections (a), (c), and (e), Section 5, Article IX, Texas Constitution, are amended to read as follows:

(a) The Legislature may by law authorize the creation of two hospital districts, one to be coextensive with and have the same boundaries as the incorporated City of Amarillo, as such boundaries now exist or as they may hereafter be lawfully extended, and the other to be coextensive with Wichita County.

If such district or districts are created, they may be authorized to levy a tax not to exceed Seventy-five Cents (75¢) on the One Hundred Dollars (\$100.00) valuation of taxable property within the district; provided, however, no tax may be levied until approved by a majority vote of the participating resident qualified [property taxpaying] voters [who have duly rendered their property for taxation]. The maximum rate of tax may be changed at subsequent elections so long as obligations are not impaired, and not te exceed the maximum limit of Seventy-five Cents (75¢) per One Hundred Dollars (\$100.00) valuation, and no election shall be required by subsequent changes in the boundaries of the City of Amarillo.

If such tax is authorized, no political subdivision or municipality within or having the same boundaries as the district may levy a tax for medical or hospital care for needy individuals, nor shall they maintain or erect hospital facilities, but the district shall by resolution assume all such responsibilities and shall assume all of the liabilities and obligations (including bonds and warrants) of such subdivisions or municipalities or both. The maximum tax rate submittod shall be sufficient to discharge such obligations, liabilities, and responsibilities, and to maintain and operate the hospital system, and the Legislature may authorize the district to issue tax bonds for the purpose of the purchase, construction, acquisition, repair or renovation of improvements and initially equipping the same, and such bonds shall be payable from said Seventy-five Cents (75c) tax. The Legislature shall provide for transfer of title to properties to the district

(c) The Legislature may by law authorize the creation of a hospital district within Jefferson County, the boundaries of which shall include only the area comprising the Jefferson County Drainage District No. 7 and the Port Arthur Independent School District, as such boundaries existed on the first day of January, 1957, with the power to issue bonds for the sole purpose of purchasing a site for, and the construction and initial equipping of, a hospital systom, and with the power to levy a tax of not to exceed Seventy-five Cents (75¢) on the One Hundred Dollars (\$100.00) valuation of property therein for the purpose of paying the principal and interest on such bonds.

The [ereation of such hospital district shall not be final until approved at an election by a majority of the resident property taxpaying voters voting at said election who have duly rendered their property for taxation upon the tax rolls of either said Drainage or said School District, nor shall such] bonds  $may \ not$  be issued or such tax be levied until [so] approved by such voters.

The district shall not have the power to levy any tax for maintenance or operation of the hospital or facilities, but shall contract with other political subdivisions of the state or private individuals, associations, or corporations for such purposes.

If the district hereinabove authorized is finally created, no other hospital district may be created embracing any part of the territory within its boundaries, but the Legislature by law may authorize the creation of a hospital district incorporating therein the remainder of Jefferson County, having the powers and duties and with the limitations presently provided by Article IX, Section 4, of the Constitution of Texas[, except that such district shall be confirmed at an election wherein the resident qualified property taxpaying voters who have duly rendered their property within such proposed district for taxation on the county rolls, shall be authorized to vote). A majority of those participating in the election voting in favor of the district shall be necessary for [its confirmation and for] bonds to be issued.

(e) The legislature by law may authorize Randall County to render financial assistance to the Amarillo Hospital District by paying part of the district's operating and maintenance expenses and the debts assumed or created by the district and to levy a tax for that purpose in an amount not to exceed seventy-five cents (75¢) on the One Hundred Dollars (\$100.00) valuation on all property in Randall County that is not within the boundaries of the City of Amarillo or the South Randall County Hospital District. This tax is in addition to any other tax authorized by this constitution. If the tax is authorized by the legislature and approved by the voters of the area to be taxed, the Amarillo Hospital District shall, by resolution, assume the responsibilities, obligations, and liabilities of Randall County in accordance with Subsection (a) of this section and, except as provided by this subsection, Randall County may not levy taxes or issue bonds for hospital purposes or for providing hospital care for needy inhabitants of the county. [Not later than the end of the first tax year during which taxes are levied under this subsection, Randall County shall deposit in the State Treasury to the credit of the state General Revenue Fund \$45,000 to reimburse the state for the cost of publishing the resolution required by this subsection.]

SECTION 45. Subsection (a), Section 8, Article IX, Texas Constitution, is amended to read as follows:

(a) The Legislature may by law authorize the creation of a Hospital District to be coextensive with the limits of County Commissioners Precinct No. 4 of Comanche County, Texas.

If such District is created, it may be authorized to levy a tax not to exceed seventy-five cents (75¢) on the One Hundred Dollar (\$100) valuation of taxable property within the District; provided, however, no tax may be levied until approved by a majority vote of the participating resident qualified [property taxpaying] voters [who have duly rendered their property for taxation]. The maximum rate of tax may be changed at subsequent elections so long as obligations are not impaired, and not to exceed the maximum limit of seventy-five cents (75¢) per One Hundred Dollar (\$100) valuation, and no election shall be required by subsequent changes in the boundaries of the Commissioners Precinct No. 4 of Comanche County.

If such tax is authorized, no political subdivision or municipality within or having the same boundaries as the District may levy a tax for medical or hospital care for needy individuals, nor shall they maintain or erect hospital facilities, but the District shall by resolution assume all such responsibilities and shall assume all of the liabilities and obligations (including bonds and warrants) of such subdivisions or municipalities or both. The maximum tax rate submitted shall be sufficient to discharge such obligations, liabilities, and responsibilities, and to maintain and operate the hospital system, and the Legislature may authorize the District to issue tax bonds for the purpose of the purchase, construction, acquisition, repair or renovation of improvements and initially equipping the same, and such bonds shall be payable from said seventy-five cent (75¢) tax. The Legislature shall provide for transfer of title to properties to the District.

SECTION 46. Section 11, Article IX, Texas Constitution, is amended to read as follows: Sec. 11. (a) The Legislature may by law authorize the creation of hospital districts in Ochiltree, Castro, Hansford and Hopkins Counties, each district to be coextensive with the limits of such county.

(b) If any such district is created, it may be authorized to levy a tax not to exceed Seventy-five Cents (75¢) on the One Hundred Dollar (\$100) valuation of taxable property within the district; provided, however, no tax may be levied until approved by a majority vote of the participating resident qualified [property-taxpaying] voters [who have duly rendered their

property for taxation]. The maximum rate of tax may be changed at subsequent elections so long as obligations are not impaired, and not to exceed the maximum limit of Seventy-five Cents (75¢) per One Hundred Dollar (\$100) valuation.

(c) If such tax is authorized, no political subdivision or municipality within or having the same boundaries as the district may levy a tax for medical or hospital care for needy individuals, nor shall they maintain or erect hospital facilities, but the district shall by resolution assume all such responsibilities and shall assume all of the liabilities and obligations (including bonds and warrants) of such subdivisions or municipalities or both. The maximum tax rate submitted shall be sufficient to discharge obligations, liabilities, and responsibilities, and to maintain and operate the hospital system, and the Legislature may authorize the district to issue tax bonds for the purpose of the purchase, construction, acquisition, repair or renovation of improvements and initially equipping the same, and such bonds shall be payable from said Seventy-five Cent (75¢) tax. The Legislature shall provide for transfer of title to properties to the district.

[Should the Legislature enact enabling laws in anticipation of the adoption of the amendment, such Acts shall not be invalid because of their anticipatory character.]

- SECTION 47. Section 12, Article IX, Texas Constitution, is amended to read as follows: Sec. 12. (a) The Legislature may by law provide for the creation, establishment, maintenance and operation of Airport Authorities composed of one or more counties, with power to issue general obligation bonds, revenue bonds, either or both of them, for the purchase, acquisition by the exercise of the power of eminent domain or otherwise, construction, reconstruction, repair or renovation of any airport or airports, landing fields and runways, airport buildings, hangars, facilities, equipment, fixtures, and any and all property, real or personal, necessary to operate, equip and maintain an airport.
- (b) The Legislature[i] shall provide for the option by the governing body of the city or cities whose airport facilities are served by certificated airlines and whose facility or some intorest therein, is proposed to be or has been acquired by the Authority, to either appoint or elect a Board of Directors of said Authority. If[i-if] the Directors are appointed such appointment shall be made by the County Commissioners Court after consultation with and consent of the governing body or bodies of such city or cities. If[i-and-if] the Board of Directors is elected they shall be elected by the qualified [taxpaying] voters of the county which chooses to elect the Directors to represent that county.[i-such] Directors shall serve without compensation for a term fixed by the Legislature not to exceed six (6) years, [and] shall be selected on the basis of the proportionate population of each county based upon the last preceding Federal Census, and shall be [a-resident or] residents of such county. No[i-provide that no] county shall have iess than one (1) member on the Board of Directors.
- (c) The Legislature shall $[\cdot]$  provide for the holding of an election in each county proposing the creation of an Authority to be called by the Commissioners Court or Commissioners Courts, as the case may be, upon petition of five per cent (5%) of the qualified [taxpaying] voters within the county or counties. The [-said] elections must [to] be held on the same day if more than one county is included. No [-provided that no] more than one (1) such election may be called in a county until after the expiration of one (1) year[ $\cdot$ ] in the event such an election has failed, and thereafter only upon a petition of ten per cent (10%) of the qualified [taxpaying] voters being presented to the Commissioners Court or Commissioners Courts of the county or counties in which such an election has failed. In [-and-in] the event that two or more counties vote on the proposition of the creation of an Authority therein, the proposition shall not be deemed to carry unless the majority of the qualified [taxpaying] voters in each county voting thereon vote in favor thereof. An [-provided, however, that an] Airport Authority may be created and be composed of the county or counties that vote in favor of its creation if separate propositions are submitted to the voters of each county so that they may vote for a two or more county Authority or a single county Authority.
- (d) The Legislature shall[i] provide for the appointment by the Board of Directors of an Assessor and Collector of Taxes in the Authority, whether constituted of one or more counties, whose duty it shall be to assess all taxable property, both real and personal, and collect the taxes thereon, based upon the tax rolls approved by the Board of Directors, the tax to be levied not to exceed Seventy-Five Cents (75¢) per One Hundred Dollars (\$100) assessed valuation of the property. The[r provided, however, that the] property of state regulated

common carriers required by law to pay a tax upon intangible assets shall not be subject to taxation by the Authority.  $The[\cdot, said]$  taxable property shall be assessed on a valuation not to exceed the market value and shall be equal and uniform throughout the Authority as is otherwise provided by the Constitution.

- (e) The[;—the] Legislature shall authorize the purchase or acquisition by the Authority of any existing airport facility publicly owned and financed and served by certificated airlines, in fee or of any interest therein, or to enter into any lease agreement therefor, upon such terms and conditions as may be mutually agreeable to the Authority and the owner of such facilities, or authorize the acquisition of same through the exercise of the power of eminent domain. In[, and in] the event of such acquisition, if there are any general obligation bends that the owner of the publicly owned airport facility has outstanding, the same shall be fully assumed by the Authority and sufficient taxes levied by the Authority to discharge said outstanding indebtedness. If[; and likewise] any city or owner [that] has outstanding revenue bonds where the revenues of the airport have been pledged or said bonds constitute a lien against the airport facilities, the Authority shall assume and discharge all the obligations of the city under the ordinances and bond indentures under which said revenue bonds have been issued and sold.
- (f) Any city which owns airport facilities not serving certificated airlines which are not purchased or acquired or taken over as herein provided by such Authority[,] shall have the power to operate the same under the existing laws or as the same may hereafter be amended.
- (g) Any such Authority when created may be granted the power and authority to promulgate, adopt and enforce appropriate zoning regulations to protect the airport from hazards and obstructions which would interfere with the use of the airport and its facilities for landing and take-off.
- (h) An[;-an] additional county or counties may be added to an existing Authority if a petition of five per cent (5%) of the qualified [taxpaying] voters is filed with and an election is called by the Commissioners Court of the county or counties seeking admission to an Authority. If [and] the vote is favorable, then admission may be granted to such county or counties by the Board of Directors of the then existing Authority upon such terms and conditions as they may agree upon and evidenced by a resolution approved by two-thirds (% rds) of the then existing Board of Directors. The[, provided, however, the] county or counties that may be so added to the then existing Authority shall be given representation on the Board of Directors by adding additional directors in proportion to their population according to the last preceding Federal census.

SECTION 48. Section 2, Article XI, Texas Constitution, is amended to read as follows:

Sec. 2. The construction of jails, court-houses and bridges [and the establishment of county poor houses and farms,] and the laying out, construction and repairing of county roads shall be provided for by general laws.

SECTION 49. Subsection (b), Section 30, Article XVI, Texas Constitution, is amended to read as follows:

- (b) When a Rallroad Commission is created by law it shall be composed of three Commissioners who shall be elected by the people at a general election for State officers, and their terms of office shall be six years. [Railroad Commissioners first elected after this amendment goes into effect shall hold office as follows: One shall serve two years, and one four years, and one six years; their terms to be decided by lot immediately after they shall have qualified.] And one Rallroad Commissioner shall be elected every two years [thereafter]. In case of vacancy in said office the Governor of the State shall fill said vacancy by appointment until the next general election.
- SECTION 50. Section 44, Article XVI, Texas Constitution, is amended to read as follows: Sec. 44. (a) Except as otherwise provided by this section, the Legislature shall prescribe the duties and provide for the election by the qualified voters of each county in this State, of a County Treasurer and a County Surveyor, who shall have an office at the county seat, and hold their office for four years, and until their successors are qualified; and shall have such compensation as may be provided by law.
- (b) The office of County Treasurer or County Surveyor does not exist in those counties in which the office has been abolished pursuant to constitutional amendment or pursuant to the

authority of Subsection (c) of this section [in the counties of Tarrant and Bee is abelished and all the powers, duties, and functions of the office in each of these counties are transferred to the County Auditor or to the officer who succeeds to the auditor's functions. The office of County Treasurer in the counties of Bexar and Collin are abelished and all the powers, duties, and functions of the office in each of these counties are transferred to the County Clerk. However, the office of County Treasurer shall be abelished in the counties covered by this subsection only after a local election has been held in each county and the proposition "to abelish the elective office of county treasurer" has passed by a majority of those persons voting in said election].

[(e) The office of County Treasurer in the counties of Andrews and Gregg is abolished. In Andrews County, the powers, duties, and functions of the office are transferred to the County Auditor of the county or to the officer who succeeds to the auditor's functions. In Gregg County, the functions of the office are transferred to an elected official or the County Auditor as designated by the Commissioners Court, and the Commissioners Court may from time to time change its designation as it considers appropriate.

[(d) The office of County Treasurer in the counties of El Pase and Fayette is abolished. In El Pase County, the Commissioners Court may employ or contract with a qualified person or may designate another county officer to perform any of the functions that would have been performed by the County Treasurer if the office had not been abolished. In Fayette County, the functions of the abolished office are transferred to the County Auditor or to the officer who succeeds to the auditor's functions. However, the office of County Treasurer in El Pase or Fayette County is abolished under this subsection only if, u', the statewide election at which the constitutional amendment providing for the abolition of the office in that county is submitted to the voters, a majority of the voters of that county voting on the question at that election favor the amendment.

[(e) The office of County Surveyor in the counties of Denton, Randall, Collin, Dallas, El Paso, McLennan, and Henderson is abolished upon the approval of the abolition by a majority of the qualified voters of the respective county voting on the question at an election that the Commissioners Court of the county may call. If the election is called, the Commissioners Court shall order the ballot at the election to be printed to provide for voting for or against the proposition: "Abolishing the office of county surveyor,"—Each qualified voter of the county is entitled to vote in the election. If the office of County Surveyor is abolished under this subsection, the maps, field notes, and other records in the custody of the County Surveyor are transferred to the County Clerk of the county. After abolition, the Commissioners Court may employ or contract with a qualified person to perform any of the functions that would have been performed by the County Surveyor if the office had not been abolished.

[(f) This subsection applies only to the counties of Cass, Ector, Garza, Smith, Bexar, Harris, and Webb. The office of County Surveyor in the county is abolished on January 1, 1990, if at the statewide election at which the addition to the Constitution of this subsection is submitted to the voters, a majority of the voters of that county voting on the question at that election favor the addition of this subsection. If the office of County Surveyor is abolished in a county under this subsection, the powers, duties, and functions of the office are transferred to the county officer or employee designated by the Commissioners Court of the county in which the office is abolished, and the Commissioners Court may from time to time change its designation as it considers appropriate.

(g) The office of County Treasurer in Nueces County is abolished and all powers, duties, and functions of this office are transferred to the County Clerk. However, the office of County Treasurer in Nueces County is abolished under this subsection only if, at the statewide election at which this amendment is submitted to the voters, a majority of the voters of Nueces County voting on the question at that election favor the amendment. The office of County Treasurer of Nueces County is abolished on January 1, 1988, if the conditions of this subsection are met. If that office in Nueces County is not abolished, this subsection expires on January 1, 1988.]

(c) [(h)] The Commissioners Court of a county may call an election to abolish the office of County Surveyor in the county. The office of County Surveyor in the county is abolished if a majority of the voters of the county voting on the question at that election approve the abolition. If an election is called under this subsection, the Commissioners Court shall order

the ballot for the election to be printed to provide for voting for or against the proposition: "Abolishing the office of county surveyor of this county." If the office of County Surveyor is abolished under this subsection, the maps, field notes, and other records in the custody of the County Surveyor are transferred to the county officer or employee designated by the Commissioners Court of the county in which the office is abelished, and the Commissioners Court may from time to time change its designation as it considers appropriate.

SECTION 51. Subsection (c), Section 59, Article XVI, Texas Constitution, is amended to read as follows:

- (c) The Legislature shall authorize all such indebtedness as may be necessary to provide all improvements and the maintenance thereof roquisite to the achievement of the purposes of this amendment. All[, and all] such indebtedness may be evidenced by bonds of such conservation and reclamation districts, to be issued under such regulations as may [amy] be prescribed by law. The Legislature [and] shall also[,] authorize the levy and collection within such districts of all such taxes, equitably distributed, as may be necessary for the payment of the interest and the creation of a sinking fund for the payment of such bonds[,] and [also] for the maintenance of such districts and improvements. Such[, and such] indebtedness shall be a lien upon the property assessed for the payment thereof. The[; provided the] Legislature shall not authorize the issuance of any bonds or provide for any indebtedness against any reclamation district unless such proposition shall first be submitted to the qualified [property tax-paying] voters of such district and the proposition adopted.
- SECTION 52. Section 61, Article XVI, Texas Constitution, is amended to read as follows: Sec. 61. (a) All district officers in the State of Texas and all county officers in counties having a population of twenty thousand (20,000) or more, according to the then last preceding Federal Census, shall be compensated on a salary basis.
- (b) In all counties in this State, the Commissioners Courts shall be authorized to determine whether precinct officers shall be compensated on a fee basis or on a salary basis, with the exception that it shall be mandatory upon the Commissioners Courts, to compensate all justices of the peace, constables, deputy constables and precinct law enforcement officers on a salary basis.
- (c) In [beginning January 1, 1973; and in] counties having a population of less than twenty thousand (20,000), according to the then last preceding Federal Census, the Commissioners Courts [shall also] have the authority to determine whether county officers shall be compensated on a fee basis or on a salary basis, with the exception that it shall be mandatory upon the Commissioners Courts to compensate all sheriffs, deputy sheriffs, county law enforcement officers including sheriffs who also perform the duties of assessor and collector of taxes, and their deputies, on a salary basis [beginning January 1, 1949].
- (d) All fees earned by district, county and precinct officers shall be paid into the county treasury where earned for the account of the proper fund, provided that fees incurred by the State, county and any municipality, or in case where a pauper's oath is filed, shall be paid into the county treasury when collected and provided that where any officer is compensated wholly on a fee basis such fees may be retained by such officer or paid into the treasury of the county as the Commissioners Court may direct.
- (e) All Notaries Public, county surveyors and public weighers shall continue to be compensated on a fee basis.
  - SECTION 53. Section 65, Article XVI, Texas Constitution, is amended to read as follows:
- Sec. 65. (a) This section applies to the following offices [Staggering Torms of Office—The following officers elected at the General Election in November, 1954, and thereafter, shall serve for the full terms provided in this Constitution]:
  - [(a)] District Clerks; [(b)] County Clerks; [(c)] County Judges; [(d)] Judges of the County Courts at Law, County Criminal Courts, County Probate Courts and County Domestic Relations Courts; [(e)] County Treasurers; [(f)] Criminal District Attorneys; [(g)] County Surveyors; [(h)] Inspectors of Hides and Animals; [(i)] County Commissioners [for Precincts Two and Four]; [(j)] Justices of the Peace; [-
- [Notwithstanding other provisions of this Constitution, the following officers elected at the General Election in November, 1954, shall serve only for terms of two (2) years: (a)] Sheriffs;

(b)] Assessors and Collectors of Taxes; [(e)] District Attorneys; [(d)] County Attorneys; [(e)] Public Weighers; and [(f) County Commissioners for Procincts One and Three; (g)] Constables. [At subsequent elections, such officers shall be elected for the full terms provided in this Constitution.

[In any district, county or precinct where any of the aforementioned offices is of such nature that two (2) or more persons hold such office, with the result that candidates file for "Place No. 1," "Place No. 2," etc., the officers elected at the General Election in November, 1954, shall serve for a term of two (2) years if the designation of their office is an uneven number, and for a term of four (4) years if the designation of their office is an even number. Thereafter, all such officers shall be elected for the terms provided in this Constitution.]

(b) If [Provided, however, if] any of the officers named herein shall announce their candidacy, or shall in fact become a candidate, in any General, Special or Primary Election, for any office of profit or trust under the laws of this State or the United States other than the office then held, at any time when the unexpired term of the office then held shall exceed one (1) year, such announcement or such candidacy shall constitute an automatic resignation of the office then held, and the vacancy thereby created shall be filled pursuant to law in the same manner as other vacancies for such office are filled.

SECTION 54. Section 1, Article XVII, Texas Constitution, is amended to read as follows:

- Sec. 1. (a) The Legislature, at any regular session, or at any special session when the matter is included within the purposes for which the session is convened, may propose amendments revising the Constitution, to be voted upon by the qualified voters [electors] for statewide offices and propositions, as defined in the Constitution and statutes of this State. The date of the elections shall be specified by the Legislature. The proposal for submission must be approved by a voto of two-thirds of all the members elected to each House, entered by yeas and nays on the journals.
- (b) A brief explanatory statement of the nature of a proposed amendment, together with the date of the election and the wording of the proposition as it is to appear on the ballot, shall be published twice in each newspaper in the State which meets requirements set by the Legislature for the publication of official notices of officers and departments of the state government. The explanatory statement shall be prepared by the Secretary of State and shall be approved by the Atterney General. The Secretary of State shall send a full and complete copy of the proposed amendment or amendments to each county clerk who shall post the same in a public place in the courthouse at least 30 days prior to the election on said amendment. The first notice shall be published not more than 60 days nor less than 50 days before the date of the election, and the second notice shall be published on the same day in the succeeding week. The Legislature shall fix the standards for the rate of charge for the publication, which may not be higher than the newspaper's published national rate for advertising per column inch.
- (c) The election shall be held in accordance with procedures prescribed by the Legislature, and the returning officer in each county shall make returns to the Secretary of State of the number of legei votes cast at the election for and against each amendment. If it appears from the returns that a majority of the votes cast have been cast in favor of an amendment, it shall become a part of this Constitution, and proclamation thereof shall be made by the Constitution.

SECTION 55. The following provisions of the Texas Constitution are repealed:

- (1) Article III, Sections 26a, 50b, 50b-1, 50b-2, 50b-3, and 54;
- (2) Article VIII, Sections 1-b-1, 1-c, and 5;
- (3) Article IX, Section 6;
- (4) Article XI, Section 6;
- (5) Article XVI, Sections 18, 47, 53, 66, and 70(r); and
- (6) Article XVII, Section 2.

SECTION 56. The following temporary provision is added to the Texas Constitution:

TEMPORARY TRANSITION PROVISIONS. (a) This section applies to amendments proposed by H.J.R. No. 62, 76th Legislature, Regular Session, 1999.

- (b) The amendments do not impair any obligation created by the issuance of bonds or other evidences of indebtedness in accordance with prior law, and all bonds or other evidences of indebtedness validly issued under provisions amended or repealed remain valid, enforceable, and binding according to their terms and shall be paid from the sources pledged. Bonds or other evidences of indebtedness authorized but unissued on the effective date of the amendments may be issued in compliance with and subject to the provisions of the prior law. The amendments do not reduce or expand the authority to provide for, issue, or sell bonds or other evidences of indebtedness previously authorized.
- (c) As of the date of adoption of H.J.R. No. 62 by the 76th Legislature, Regular Session, 1999, the Veterans' Land Boara has authorized but unissued bonds in the aggregate principal amount of \$190,002,225 for the purpose of providing funds for the Veterans' Land Fund, \$1,309,997,775 having previously been issued for that purpose, and \$615,000,000 for the purpose of providing funds for the Veterans' Housing Assistance Fund II, \$385,000,000 having previously been issued for that purpose. The amendments do not in any manner impair the authority of the Veterans' Land Board hereafter to issue bonds or incur other evidences of indebtedness, provided that any bonds or other evidences of indsbtedness issued or incurred by the Veterans' Land Board prior to adoption of the amendments shall cause the amount of authorized but unissued bonds described in this subsection to be reduced by the amount of the bonds so issued or other evidences of indebtedness so incurred.
- (d) As of the date of adoption of H.J.R. No. 62 by the 76th Legislature, Regular Session, 1999, the Texas Water Development Board has authorized but unissued bonds in the aggregate principal amount of \$945,765,000, and as of that date that board has issued \$113,300,000 in bonds for the purpose of providing wholesale and retail water and wastewater facilities to economically distressed areas of the state, as defined by law. The amendments do not in any manner impair the authority of the Texas Water Development Board hereafter to issue bonds or incur other evidences of indebtedness, provided that any bonds or other evidences of indebtedness issued or incurred by the Texas Water Development Board prior to adoption of the amendments shall cause the amount of authorized but unissued bonds described in this subsection to be reduced by the amount of the bonds so issued or other evidences of indebtedness so incurred.
- (e) As of the date of adoption of H.J.R. No. 62 by the 76th Legislature, Regular Session, 1999, the Texas Higher Education Coordinating Board has authorized but unissued bonds in the aggregate principal amount of \$150,000,000, and as of that date the board has issued \$810,000,000 in bonds for the purpose of educational loans to students. The amendments do not in any manner impair the authority of the Texas Higher Education Coordinating Board hereafter to issue bonds or incur other evidences of indebtedness, provided that any bonds or other evidences of indebtedness issued or incurred by the Texas Higher Education Coordinating Board prior to adoption of the amendments shall cause the amount of authorized but unissued bonds described in this subsection to be reduced by the amount of the bonds so issued or other evidences of indebtedness so incurred.
- (f) The amendment of Subsection (b), Section 1-b, Article VIII, does not affect the increase in the amount of an exemption effective January 1, 1979, under that subsection, and that increase is preserved and given effect in accordance with the prior law.
- (g) The amendment of Subsection (b), Section 1-j, Article VIII, does not affect the taxation of personal property in accordance with action taken under that section before April 1, 1990, and that authority to tax personal property is preserved and given effect in accordance with the prior law.
- (h) The amendment of Subsection (c), Section 5, Article IX, does not affect the validity of a confirmation election held in accordance with that section.
- (i) The repeal of Section 5, Article VIII, does not affect the power of a municipality to impase and collect taxes on the property of railroad companies in accordance with the general authority of municipalities under this constitution to impase and collect those taxes.
- (j) The repeal of Section 6, Article IX, does not affect the disposition of assets of the Lamar County Hospital District in accordance with that section.
- (k) The amendment of Section 44, Article XVI, does not affect the power of a county to abolish the office of county treasurer or county surveyor in accordance with previously

adopted amendments of that section, and the power is preserved in accordance with the prior

- (1) The repeal of Section 66, Article XVI, does not affect the pensions payable under that section and those pensions shall be paid in accordance with the prior law.
- (m) The reenactment of any provision for purposes of amendment does not revive a provision that may have been impliedly repealed by the adoption of a later amendment.
  - (n) The amendment of any provision does not affect vested rights.

SECTION 57. This proposed constitutional amendment shall be submitted to the voters at an election to be held on November 2, 1999. The ballot shall be printed to permit voting for or against the proposition: "The constitutional amendment to eliminate duplicative, executed, obsolete, archaic, and ineffective provisions of the Texas Constitution."

Passed by the House on May 6, 1999: Yeas 148, Nays 0, 1 present, not voting; the House concurred in Senate amendments to H.J.R. No. 62 on May 27, 1999: Yeas 142, Nays 0, 2 present, not voting; passed the Senate, with amendments, on May 24, 1999: Yeas 29, Nays 1.

Filed with the Secretary of State May 31, 1999.

## H.J.R. No. 69

#### A JOINT RESOLUTION

proposing a constitutional amendment permitting a political subdivision to purchase property and casualty insurance from certain mutual insurance companies.

BE IT RESOLVED BY THE Legislature of the State of Texas:

SECTION 1. Section 52(a), Article III, Texas Constitution, is amended to read as follows:

(a) Except as otherwise provided by this section, the Legislature shall have no power te authorize any county, city, town or other political corporation or subdivision of the State to lend its credit or to grant public money or thing of value in aid of, or to any individual, association or corporation whatsoever, or to become a stockholder in such corporation, association or company. However, this section does not prohibit the use of public funds or credit for the payment of premiums on nonassessable property and casualty, life, health, or accident insurance policies and annuity contracts issued by a mutual insurance company authorized to do business in this State.

SECTION 2. This proposed constitutional amendment shall be submitted to the voters at an election to be held on November 2, 1999. The ballot shall be printed to permit voting for or against the proposition: "The constitutional amendment permitting a political subdivision to purchase nonassessable property and casualty insurance from an authorized mutual insurance company in the same manner that the political subdivision purchases life, health, and accident insurance."

Passed by the House on May 3, 1999: Yeas 139, Nays 1, 2 present, not voting; passed by the Senate on May 18, 1999: Yeas 30, Nays 0.

\_\_\_\_\_\_ Secretary of State

Filed with the Secretary of State May 19, 1999.

## H.J.R. No. 71

# A JOINT RESOLUTION

proposing a constitutional amendment to provide for the number of precincts that certain counties must create for justices of the peace and constables.